MILLARD'S REVIEW

密勒氏評論報

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Contents

Editorial paragraphs 285
Special Articles
Who is to be China's Next President ?..... Hollington K. Tong 289
The Educated Man's Opportunity in China ..... Julean Arnold 292
Violating the "Open Door" in Manchuria..... 294
American Citizen Acquitted in Espionage Case..... 296
Notes from Peking 297
Who's Who in China 299
News Summary of the Week..... 300
Men and Events 301
Women's Work 306
Far Eastern Press Opinion..... 311
Finance and Commerce
China's Silk Industry and Reforms .....Y. L. Chang 318
New Books and Publications..... 323
In the United States Court for China 324

THE announcement that the Allies have definitely decided to intervene in Siberia rings up the curtain on a political drama that seems fated to play a big role in the destinies of the Far East, and, indirectly, in the military fortunes of the warring groups in Europe. There is nothing equivocal about the announcement of the Allied Powers' decision. Before many days have passed, Vladivostock is to be occupied by Allied troops. Political exigencies have persuaded the Allied Powers to abandon their policy of inaction in favor of a more forward policy in Siberia in order to nip in the bud the growing combined menace of Bolshevik and Austro-German treachery. The step is rendered vitally imperative in order to assist the Czecho-Slovak troops who have declared war on the Bolsheviks and in order to protect the vast quantities of military supplies stored at Vladivostock, in which the Allied Powers have a direct interest. Vladivostock is to be used as a base for the carrying on of military operations against the Bolsheviks. British troops from Hongkong, French soldiers from North China or Indo-China, American troops from Manila, and Japanese fighters will assume the duty of protecting Vladivostock and making it the starting point of Bolshevik downfall, while the operations will be invested with a deeper significance by the fact that Polish and Serbian detachments, now in Shanghai, which were to have been embarked for the European Front, are to embark for the port of Chingwantao, which will be the rallying place for the various units. The Allied Powers doubtless will, or ought to, keep a watchful eye on the Japanese to ensure that the latter do not exploit intervention for the political and territorial advancement of Japan. It is an open secret that that opposition which has hitherto prevailed in Washington to the idea of intervention in Siberia has has had its mainspring in the fear that Vladivostock would be converted into a second Tsingtao, it being a well-known fact that Japan, unlike the United States, is impressed less by wholly altruistic principles and more by the doctrine of the *quid pro quo*. Already there are disquieting reports that preparations are being feverishly rushed in Japan to throw, if possible, a preponderant quota of troops into Vladivostock in order to take the lead in the new development. There is possibly more than a vestige of truth in these reports, for an incident can be recalled by the writer which occurred in September of 1914 when the Anglo-Japanese military operations were being carried out in Tsingtao, when the Japanese military commander impressed on his British colleague, General Barnardiston, in polite but forceful terms, the advisability of the latter taking a back seat so far as the carrying on of the operations were concerned. The incident was doubtless reported to the

Imperial British Government and possibly found a place in the archives of the Foreign Office.

The moral effect of Allied intervention in Siberia on the rest of Russia will be tremendous. Russia's game, provided the people are sincere in their opposition to the Bolsheviks, is to go in for guerilla warfare and to avoid any stand-up fighting until the Allies are in a position to offer them substantial assistance. The Germans may occupy Russia as far as Moscow without encountering much resistance to speak of, but beyond that point it is quite possible that they may find themselves landed in difficulties. At all events, we are too close to events to obtain a correct perspective. The precise effect of Allied intervention in Siberia only the future can reveal. In the meanwhile, we must follow the Asquithian injunction to wait and see.

WITHIN two or three days of each other last week there were celebrated two national holidays—the French 14th of July and the Chinese 12th of July, which was the first anniversary of the collapse of Chang Hsun's monarchical *coup* and the so-called restoration of the Republic after a brief eclipse of eleven days. A more striking contrast than that presented by the celebration of the two national festivals it would be hard to conceive. The Chinese people were supposed to celebrate the restoration of the Republic. They were ordered by the police to hang out flags and to rejoice over the fact that a President, and not an Emperor, ruled them. Could anything be more absurdly fantastic? When one looks at China to-day, when one sees on all sides proofs of reaction, corruption and retrogression, it impossible to feel other than pessimistic regarding the country's future. The track of the rival armies is marked by devastated and looted towns and villages. From almost every province comes depressing news of lawlessness and unrest. The opium traffic, which ought, if the Government's solemn pledges meant anything, to have been suppressed early last year, is being revived under the auspices of the highest officials in the land, including, it is alleged, the President himself. Mock elections, accompanied by a veritable orgie of corruption, have been held for the legislature which is, ostensibly, to elect the new President. Who that President is to be will be decided, if it has not been decided already, not by the electorate—there is no such thing in China—but by the military cabal who in person, or by deputy, have been holding conferences in Tientsin. And the people, in whose interests and by whose representatives the nation ought to be governed, are groaning under oppression and lawlessness, flood and famine, as they have never suffered before. China is supposed to be at war with Germany, yet in reality she is at war with no one but herself. At a Cabinet meeting in Peking the other day, Admiral Liu Kwan-hsiung, the Minister of the Navy, suggested that for the purpose of facilitating China's "future participation" in the European struggle, naval depots should be established at Amoy, Woosung, Kiangyin, Kiukiang, Chanyutao, Tienchiacheng, Chefoo and a number of other important places. Unconscious humor lurks in the statement of the Minister of the Navy about China's "future participation" in the war. Instead of declaring July 12 a national festival in order to make a Chinese holiday, it ought to have been set aside as a day of repentance and humiliation, a day of protest against iniquity in high places. How different in spirit was the celebration of "Le Quatorze Juillet," the French National Fete, by a people who have for four years been unstintingly pouring their life's blood in the sacred cause of humanity and civilization! Compared to France, how petty and vulgar do the officials of China seem. This depressing picture is not painted for the benefit of foreign residents in China, for they have the misfortune to dwell daily on these things. It is drawn primarily for the instruction and guidance of America and other Allied peoples, so as to show them how matters stand. And no one will dare suggest that the picture is overdrawn or untrue to the present life of China.

BARON Hayashi is Japan's official representative in Peking whilst Mr. Nishihara, the secret agent of the Japanese Prime Minister, is her unofficial representative. Recent events indicate that the latter has done more for his own country and people and is commanding greater influence. Much of his work in China, which has necessarily to be *sub rosa*, is unknown to Baron Hayashi, the Japanese Minister to Peking, and many a Chinese journalist is better informed of it than the Baron. It has happened a number of times that Baron Hayashi would issue an official denial of certain Chinese-Japanese negotiations, which later turned out to be true. It seems Nishihara had undertaken them without his knowledge. It is bruited about Peking that the Japanese Minister has repeatedly protested to Tokio against this unprecedented practice—all in vain. This is quite within expectations. Nishihara is the confidential secret agent of the present Japanese Prime Minister, who is greatly interested in the Chosen Bank and the Taiwan Bank. He was purposely sent to China to secure concessions and make loans in opposition to the Yokohama Specie Bank, which is understood to have been receiving the support of Baron Hayashi and other Japanese officials, except Count Terauchi. This situation results in the adoption of conflicting financial policies

by Japan in China. Count Terauchi and Mr. Nishihara, representing the Chosen Bank and the Taiwan Bank, are dealing with the Chinese Government in all money matters through Mr. Tsao Ju-ling, Minister of Finance, and Mr. Lu Chung-yu, Director of the Chinese-Japanese Exchange Bank, whilst the other high Japanese officials advocate that all the Japanese financiers should transact business with men like Mr. Liang Shih-yi, who is more substantial and who they believe can command greater influence in official circles, and that the Yokohama Specie Bank should represent the Japanese in such transactions. In consequence, the Chosen Bank and the Taiwan Bank are obtaining all the business they desire from China, with the Yokohama Specie Bank being left out in the cold. The explanation for this state of affairs is simple enough. Messrs. Tsao and Lu are in a position to conclude loans as they are closely connected with the Government, and in the meantime Mr. Liang is not.

JAPAN'S unofficial representative is quartering himself in the Hotel de Pekin, and directing his manifold activities therefrom. He has already concluded several important loans and is negotiating for more. He is securing for his people concessions, from the plantation of tobacco to the construction of railways, with great ease. European or American merchants who are trying to get mining privileges or concessions are no equal of his. Assisted by an able staff and backed up by his Government under Count Terauchi's *regime*, he gets whatever he wants from China. His winning personality has made for him a host of friends among influential officials; his movements are kept as secret as ever; and his presence in the Chinese Capital is felt only through his work. Nishihara is an important figure in Far Eastern politics.

JAPAN, in consideration of an important forest concession in the provinces of Kirin and Heilungkiang, made another loan of Yen 30,000,000 to the Chinese Government on July 9. Its proceeds, nominally for the development of forestry, have already been earmarked for military purposes. As soon as they are advanced, they will be distributed among the various military governors who have refused to fight the South in the civil strife unless they are supplied with enough funds. This loan, signed by Mr. Tsao Ju-ling, Minister of Finance, and Mr. Nishihara, representing the Industrial Bank of Japan, the Chosen Bank and the Taiwan Bank, has prolonged the life of the present Cabinet for another month or two, but it will have a disastrous effect upon the country in general and Kirin and Heilungkiang particularly. The agreement provides the organization of a Chinese-Japanese company for the development of forestry, and incidentally mining, in these two border provinces. Such a company will be established in the course of time, but ultimately it will be converted into a Japanese enterprise, like the Yalu Timber Company, which was a joint company at the beginning, but has since become, to all intents and purposes, a Japanese undertaking. When the Yalu Timber Company was first established, it declared a handsome dividend of twenty per cent. One year later the dividend was ten per cent, and in the fourth year of the company there was no dividend. Still later, the company was losing money. Although it has a Chinese president, the power to control it rests entirely with the Japanese. Herein lies the explanation of this unexpected development which will eventually result in the ousting of the Chinese shareholders. The same unfortunate consequence, it is pointed out by a well-informed Chinese, may be expected of the new Chinese-Japanese timber company to be established. Aside from this, the forest loan will upset the Chinese capitalists, who are already working on the different forests in the country in strict accordance with the rules and regulations promulgated by the Ministry of Agriculture and Commerce on the granting of forest concessions. The reservation of the best forests in the upper part and along the northern bank of the Sungari River and along the western bank of the Amur River in Kirin, Heilungkiang and Fengtien, which are easily accessible for Japanese exploitation, is bound to discourage the Chinese capitalists and drive them out of business. At the same time it will affect the colonization of Chinese farmers in Manchuria. The farmers from the more densely populated areas are migrating to Manchuria by thousands and many of them are now wood-cutters. In future they will be replaced by Japanese coolies, in spite of the assurance of the Japanese capitalists to the contrary.

THERE is much to say against China's forest policy, or rather against no-forest-policy. Since the establishment of the Republic seven years ago, the authorities have been considering the importance of forests in Manchuria. The establishment of a forest bureau, first in Kirin and then in Mukden and Heilungking, a few years ago shows it. But it is regretable to observe that the Government has never shaped any definite and consistent forest policy. This is largely due to the frequent change of the Minister of Agriculture. The efforts of those who are willing to follow the advice of Chinese and foreign forest experts are usually obstructed by the provincial governors. In consequence, the only function of these forest bureaux has been to give away concessions to the Chinese merchants, who in turn transfer them to foreigners, as the rules and regulations of the

Ministry provide against the granting of such concessions to any person other than the Chinese. Had the Central Government pursued a definite and consistent forest policy and had the provincial governors refrained from obstructing its being carried out, a big income would have been realized to-day. Forest areas in Manchuria are twice as big, if not three times the forest areas in the Philippine Islands. The Philippine government realize roughly over half a million dollars a year. The forests in Manchuria ought to yield more than a million dollars annually, whereas now the local government collects an infinitesimal amount of what is called wood tax.

IT is too much to expect from the Japanese to cut the timber in Manchuria intelligently. Although the Chinese Government will appoint an official to supervise timber cutting, he will not have enough power to prevent them from the wholesale felling of pine and elm trees, which are abundant in that part of the country. As the Central Government has not yet adopted a policy of forest management so as to insure the continual production of timber, the whole forests will be most probably denuded. The result will be more frequent floods and the endangering of farming lands by errosion. Whilst the Director-General of Flood Relief and Conservancy is contemplating the reforestation of Chihli for flood prevention, arrangements have been made for the deforestation of Kirin, Heilungkiang and Fengtien. All this simply shows the lack of a forest policy, a lack of foresight, a lack of judgment, and a lack of honor on the part of the Government. We understand that the people in Kirin have started a movement to oppose the forest loan and that the Provincial Assembly has discusssed this question time and again with all the heat that its members could command, but no benefit will likely accrue by crying over spilt milk!

WHEN the Sino-Japanese pact first became an accomplished fact the Chinese showed signs of making enthusiastic protests. The Southern section joined in the protests; and the merchants, the press and the young students discussed the subject so seriously that for the time being we believed that China was after all about to shake off her time-honored lethargy and become alive to the national disaster which they say is involved in this secret pact. But this activity towards keeping up the national enthusiasm is not being maintained and it seems that the national zeal is being replaced by a spirit of resignation, though news is daily to hand showing that fresh loans are being signed by the Peking Government, the effect of which is to pawn the revenue of the state. One fails to understand this fickleness of the Chinese attitude. Patriotism and manliness dictate that when the national consciousness has once been awakened it must be maintained until the goal is reached. Patriotic zeal must not be allowed to cool down until the wrongs done are righted.

THE Japanese vernacular magazines have been devoting very little space to war-topics. They have, however, been discussing Pan-Asianism, New Asianism, and other problems of their country with keen interest. A traveler coming from France, England or America notes little enthusiasm among the Japanese for this Great War and is surprised to find an Allied country enjoying and amusing itself, gossiping and earning money with a quite calm mind as though there were no such thing in the world as the Great War. There are many women and boys in Japan who have yet heard nothing of the War and have no idea that their country is involved in a titanic war against the Powers which have no respect for truth, justice, honesty and international law. The greatest trait of the Japanese character is *yamato damashii*, which even her most adverse critics admire. This "martial spirit" does not seem to have been touched by the Great War. Perhaps the masses in Japan are yet ignorant of the fact that the fate of human civilization depends on the result of the War and that no sacrifice—individual or national—made to defeat the enemies of humanity is too great. Now is the time when the *samurai* spirit should wake up to the consciousness of the supreme duty of restoring peace and justice to the world by defeating those who believe in the almightiness of material force. The educated section of the Japanese should feel it their duty to devote more of their attention and time to the dissemination of the aims and the consequences of the Great War among their people.

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OF THE FAR EAST

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, MEX. TEN DOLLARS IN ADVANCE, POSTAGE INCLUDED, IN CHINA AND THE FAR EAST. IN THE UNIED STATES FIVE DOLLARS U.S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND CLASS MATTER IN THE AMERICAN, CHINESE, BRITISH AND JAPANESE POST OFFICES AT SHANGHAI IN MAY, 1917.

Who is to be China's Next President?

BY HOLLINGTON K. TONG

THE term of the present Acting President, General Feng Kuo-chang, expires on October 10. Who is going to be China's next President? This question of absorbing interest is occupying the attention of the four hundred million people, but none can answer it—even two hours before the presidential election. There are on the field three candidates, former Secretary of State Hsu Shih-chang, President Feng Kuo-chang and Prime Minister Tuan Chi-jui, but the last one is the least hopeful. The keenest contest for the possession of the first official position of the land is expected between Messrs. Hsu and Feng. It is needless to conceal the fact that much money will be expended to influence the members of Parliament. Meanwhile, the supporters of the two most hopeful candidates are leaving no stone unturned in their efforts to secure the campaign funds, after the manner of Westerners in modified forms.

Whether the new Parliament is able to meet in August is a question of even greater importance. There can be no presidential election without a Parliament. Many, and especially those living in the South, believe that the new legislature will not have enough members to form a quorum and consequently cannot hold sessions. They point out that as Kwangtung, Kwangsi, Kweichow, Yunnan and Szechwan are practically under the complete control of the South, which is disputing the authority of the Central Government, they will not send delegates to a Parliament of which they deny the existence. Five out of twenty-two provinces and eight special administrative areas will therefore not be represented at the forthcoming assembly. A careful study of the question, however, shows that even without their representation, there will be enough members to form a quorum. The Senate, according to the Parliamentary Organization Law revised by the National Council and promulgated on February 17, shall be composed of 168 Senators, or five from each province, thirty elected by the Central Electoral College, fifteen representing Mongolia, two from Chinghai, six from Tibet, and one from each of the five special administrative districts. The House of Representatives shall be composed of 406 members, one Representative, roughly speaking, being elected out of every 1,000,000 people. But those provinces having no more than 7,000,000 people are still entitled to the election of seven Representatives.

The combined number of the members of the two Houses will be 573. Two-thirds of the members, or 382 out of 573, according to law, will all be needed to form a quorum in order to be able to meet and organize an electoral college for the election of the President. The refusal of Kwangtung, Kwangsi, Kweichow, Yunnan and Szechwan to participate in the new Parliament will deprive it of only 106 members, namely, twenty-five Senators, or five from each province, and seventy-nine Representatives, or twenty from Kwangtung, thirteen from Kwangsi, fifteen from Yunnan, nine from Kweichow and twenty-two from Szechwan. The absence of 106 members from the two Houses cannot, however, prevent them from having a quorum to hold the presidential election. The remaining 467 members, who will be present, will be more than two-thirds of the total number of the members of Parliament. It is clear that the decline of these five provinces to send representatives to the forthcoming Parliament, from the legal point of view, will not affect it in any way.

The results of the elections held in all the other provinces have been received by the Election Bureau in Peking, of which the Vice-Minister of the Interior is the Director, but those from Hunan, Hupeh, Kansu and Sinkiang will be sent in a month later. A Mandate issued on May 6 provides for the postponement of the elections in these four provinces for one month for the following reason. Fighting in a few districts of Hupeh and in southern Hunan is still proceeding, and under the circumstances the investigation of the qualification of voters cannot be undertaken at once, whilst Sinkiang and Kansu did not receive the new election law in time on account of their great distance from Peking. The Government is, however, keeping in close touch with officials of these provinces, who are reporting from time to time on the progress of their preparations for the elections. It is anticipated that before the end of July the elections in all the loyal provinces will be completed, and that Parliament will most probably meet in the latter part of August, although it should convene on July 10, three months before the presidential election. If everything goes on smoothly, as arranged, the presidential election will be held towards the end of September at the earliest.

At the present, Hsu Shih-chang has the better chance to be elected President than President Feng Kuo-chang. (Hsu Shih-chang was former Secretary of State, and is a literary man, whose sketch is given elsewhere in this issue of the REVIEW. General Shih Shu-chen is associate commander-in-chief of the Fengtien troops stationed from Fengtai near Peking to Hunan, and is a military man. Confusion frequently arises through the similarity of these two names, but there are differences in the spell-

ing of their last two names.) In the opinion of master-politicians, he will be able to secure the support of at least six out of every ten members of Parliament. The An Fu Club, backed by influential leaders, is working for his election. It was established three months ago by General Wang Yi-tang, former Military Governor of Kirin and Minister of the Interior. On the occasion of its inauguration, General Wang made a significant speech in which he pledged his support and that of his club to Hsu Shih-chang. Both Liang Shih-yi and General Hsu Shu-chen, the principal lieutenant of Prime Minister Tuan, are interesting themselves in the club. In fact, they are its real founders. At first the arrangement was made that General Tuan was to be elected Vice-President, with Mr. Liang as Prime Minister, after the election of Hsu Shih-chang to the Presidency in September next. On this understanding the influential leaders undertook to cooperate. Later, learning the activities of the An Fu Club and finding his future position untenable, President Feng, who desires to be re-elected, issued a statement to the press, unofficially, that he was in favor of Mr. Hsu to be the next President provided that the election would be conducted on fair principles and according to law. He would, however, combat against the use of illegal means to secure the presidency by his opponents. Following this public statement, his supporters went to the provinces to canvass votes, nominally for Hsu Shih-chang but in reality for him. At the same time, General Hsu Shu-chen's influence at the An Fu Club had become so great that he wanted to withdraw his support, which was formerly given to Mr. Shih-chang, and give it to Prime Minister Tuan. He consequently proposed to nominate Prime Minister Tuan for the presidency. This intention of his, first known to a few of his intimate followers, soon leaked out and almost caused a split of the members of the An Fu Club. Liang Shih-yi, an unqualified supporter of Hsu Shih-chang, was obliged to take up the issue with General Hsu. However, a compromise was finally arranged whereby it was agreed to leave alone for the time being the question of who should be their candidate for the presidency. In the meantime General Hsu is waiting and studying the situation. If at the last moment General Tuan cannot command sufficient voters, whatever votes he may have will be given to Mr. Hsu. So far as General Tuan is concerned, he does not care to be President, although his lieutenant is still hoping that his chief will change his mind and enter into the presidential contest whole-heartedly. The situation, in a few words, is this: Hsu Shu-chen and Prime Minister Tuan are supporting Hsu Shih-chang conditionally whilst Liang Shih-yi is supporting Mr Hsu without qualifications.

The majority of the people in the North are naturally hoping that Mr. Hsu will be elected President. He may not be a brilliant man, able administrator or efficient statesman, but he is a literary man and one of the Chinese genros, and has the talent of composing differences among officials in the country. China is tired of having military men as their Presidents. Her first President, Yuan Shih-kai, was a military man. So was his successor, Li Yuan-hung, the hero of Wuchang. General Li's successor, the present Acting-President, is also a military man. If Mr. Hsu were elected in September next, he would be the first civilian President China will have. The belief is held that if Mr. Hsu can capture the highest official position in the land there will be peace for one year at least. He is still commanding much influence in the North, if not in the South, where some of the leading militarists, however, used to bow to him when he was Grand Chancellor of the Manchu Court. Further, the southern leaders have nothing particular against him, although they do not love him.

Should General Tuan be elected President, a worse situation than the present would be created. This is the consensus of opinion. At least there will be a less chance for compromising with the South, as it is too well known that his policy has always been to crush the opposition in that part of the country. Besides, the supporters of President Feng will raise issues with him whenever there is an opportunity. Not because they cannot like him, but because they know that when Tuan occupies the presidency the age-long practice of patronage will eventually drive them out of power and give their positions of influence to his followers. They will therefore do their utmost to overthrow him the minute they are in a position to do so. In case President Feng be re-elected, likewise there can be no peace, for Prime Minister Tuan's supporters will not cease agitation until he resigns. On this issue their vital interests rest. Hsu Shih-chang consequently has more chances to be elected the next President of China.

But there may be four or five different possibilities within expectations, any of which will be sufficient to defeat Hsu Shih-chang in the election. For instance, the split of the An Fu Club is one of them. General Hsu Shu-chen, supporter of Prime Minister Tuan's candidacy, is strong-willed and seldom changes his decision once it is made. If his decision to nominate Tuan as a presidential candidate is not given up, the An Fu Club is bound to be dissolved, in view of the fact that Liang Shih-yi will unlikely yield his present position. If this event happens, one party will shake hands with President Feng's lieutenants and give their sup-

port to him. The possible election of President Feng as President by the southern Parliament at Canton, which is said to have enough members to form a quorum, may be considered as another possibility. Experienced officials state that the worst thing which the South can do to the North is to re-elect President Feng and instruct him to remain in Peking to carry out for them administrative functions. The worst thing which the South can do to itself is to elect any other man to be their Chief Executive. The South may or may not see this political advantage, but sympathizers of President Feng have seen it. Seeing, they have sent emissaries to Canton and Shanghai to impress upon the members of the Southern Parliament the soundness of this view. No one will be surprised if the South does this very thing: the election of President Feng. In that case, the question will at once arise as to whether the Northern Parliament, which is to meet in August, should also elect General Feng as their President. If they do so, they defeat their own purpose. If they elect say Hsu Shih-chang, there will be two Presidents in Peking. In the end one of them will give way, but there will be confusion in the Capital nevertheless. At the present time the, supporters of President Feng, such as Wang Ko-ming, former Minister of Finance, and the Director of the Peking Octro, are therefore expending all their energy in Kwangtung rather than in Peking. Another possibility, which may also have a great bearing on the election, is the unlimited use of money. As I have remarked at the beginning of the article, even two hours before the election no one can answer the question as to who will be elected President. Much can be done to influence the members of Parliament one way or the other during the brief period. Chinese politicians are pastmasters in manipulating, manoeuvering and scheming, having learned much from foreign countries. But it is a well-known fact that Hsu Shih-chang likes to be President, but he loves his money even more. If he will have to pay for the presidency, it is doubtful whether he cares for it. Therefore there may be chances for the success of his rival. Unless any of these possibilities occur, I don't see how President Feng can be re-elected President.

Fears are freely expressed in many quarters in Peking that force may be employed when the contest for the presidency has become so heated that men lose control of themselves. It may be remembered that many soldiers surrounded the building of the Parliament at the last presidental election and refused to leave until Yuan Shih-kai was elected President. But nothing untoward happened, because Peking was then under the absolute control of Yuan Shih-kai and he was the only candidate for the Presidency. Should the same take place this time, bloody fighting cannot be avoided. If the supporters of one presidential candidate sends soldiers to coerce members of Parliament to vote for him, those of the other candidate will follow the example and also dispatch troops thither. They will fight. They may lack in courage on the battlefield, but in such quarrels they are usually daring. The *Kung Yen Pao*, which is sympathetic towards the An Fu Club, the supporter of Hsu Shih-chang, has printed the following interesting editorial, indicative of what may be in store and at the same time serving as a warning:

"The election of the Members of the new Parliament has been successfully carried out, and the next thing which is attracting the attention of the public is the election of the next President. The vernacular press has been trying to influence public opinion, and is full of comments on the problem. One of the most dangerous things is that the military people want to have a say in the matter, forgetting that their sole duty is to obey the orders of the Government instead of meddling in politics. It is unnecessary to state that if they should express their opinions and try to interfere in the matter, the consequences will be most serious because should any party among them fail to get what it desires, it will resort to armed force to seek a solution, thus bringing the nation to the verge of destruction. It is earnestly to be hoped that the military people will remain silent, leaving the Parliament to elect the person it thinks fit to be the Chief Executive of the nation. Should the members of the new Parliament try to perform their duties in accordance with the dictates of their own conscience and public opinion, we have no doubt that the next President will be a man who will be able to save the nation from the present chaotic situation."

Soldiers in the Capital who are supporters of President Feng and Mr. Hsu are equally divided, and many upright citizens of the Republic are fervently hoping that the members of the new Parliament will be left alone to select the candidate for the President of their own violation and without coercion or pressure from outside.

Peking, July 13, 1918.

Sayings of Wise Men

Ignorance seldom vaults into knowledge but passes into it through an intermediate stage of obscurity, even as night into day through twilight.—Coleridge.

Nothing is more terrible than active ignorance.—Goethe.

We cannot oversetimate our debt to the past but the moment has the supreme claim. The past is for us; but the sole terms on which it can become ours are its subordination to the present.—Emerson.

To be prepared for war is one of the most effectual means of preserving peace.—George Washington.

The Educated Man's Opportunity in China

The following are extracts from an address delivered by Julean Arnold, American Commercial Attache, before the graduating classes of Soochow University and of the McTyeire School.

WE have only to contrast the conditions in Russia to-day with those in the United States to appreciate the significance of education to the masses. Under an autocratic system of government the masses in Russia were not given the privilege of a common school education. When the Tsar was deposed from the Throne, the whole superstructure of government in Russia fell down. An unenlightened public, not accustomed to freedom and uninstructed in the duties and responsibilities of free citizenship, misinterpreted the significance of free institutions. Had Russia had free public schools, Russia would to-day be a country of enlightened responsible citizens capable of working together as a unit for the larger interests of their country. The Russian soldier knew not why his country was at war, hence when the restraint of authority was removed he ceased fighting. Because of an enlightened public opinion in America, the American soldier at the front knows why he is there and for what he is fighting and has gone there with a will.

Enlightened public opinion is sorely needed in China to-day. It is needed to straighten out the tangles in her official life, to prepare the way for an honest and efficient administrative system, to discourage graft and incompetency in official positions, to conserve to the people of the country their resources for their own development, to encourage the development of these resources by the capital and labor of China, to bring modern science with all its blessings and advantages to the aid of China, to build up a system of law and the machinery necessary to its execution, designed to protect the rights of all, to encourage initiative in all lines of constructive endeavor, in a word, an enlightened public opinion is needed in China to accord the people of this country an opportunity to give expression to the marvelous potentialities possessed by them and only awaiting a favorable environment to blossom forth and make China again a nation of strength and of illustrous achievement.

There is but one way to produce this enlightened public opinion and that is by modern education. China needs modern public schools. As a foundation for a strong system of public schools she needs first and foremost good elementary schools. These must be made so as to serve the needs of the people. They must teach the dignity of labor, they must teach thrift, they must teach physical, mental and moral fitness, they must prepare young China for modern industrialism, modern commerce, modern agriculture and modern social and economic conditions. In a word they must give to the Chinese children an education which will help to make them useful citizens of the Chinese Republic. They must extend the blessings of a good sound common school system to boys and girls alike. If China will get the best from her citizens, she must not in any sense deprive her women of all the advantages of a sound education. She would only cripple herself by so doing. In the New China, the wife must be a companion and helpmate to her husband. To be a good mother and serve her family and her country well as such she is sadly handicapped without an education. In our country we have an adage which says "The hand that rocks the cradle rules the world." To rule wisely, this hand should be intelligent. The present war has demonstrated the value to a nation of an education for her women. The American women with the advantages in education enjoyed by the men, are now a force in this War helpful to America to a degree beyond all power of calculation.

If China had the same proportionate numbers under public instruction 80,000,000 children of school age would be in schools instead of but 4,000,000. China will not have a real enlightened public opinion until she gives her citizens a common school education. What a tremendous task you have before you. A good beginning has been made. You have hundreds of earnest, intelligent men and women in your country giving their time and thought to this problem, but you need tens of thousands more.

Every man and woman in China who has had the advantages of a modern education owes it as a duty to the country and should consider it an opportunity to do something worth while to help in this grand cause of education. Some of you can be teachers. You know that teachers, not buildings, lecture rooms, laboratories nor athletic fields, make schools. These are helpful but without teachers there would be no schools, as the first great essential to schools is teachers. Your schools will be what your teachers make them and your teachers will be what your thinking citizens choose to make them. What a wonderful call to service the women of China have in the field of education. In the elementary schools of the United States it is almost as difficult to find a man teacher as it is to find a Chinese child with light hair, so completely have the women of America equipped themselves for this work. You need not all become public school teachers to aid your country to give its children the opportunities for a common education. Public schools will only grow up as the communities and the nation finds money to support them, and see that the money thus contributed is spent for the purpose for which it was collected. You must not wait for

your country to provide the schools. Each and every one of you who do not make teaching a livelihood, has still an opportunity for service in the grand cause of education, so long as you have the health and strength necessary, you can devote a few hours a week to volunteer teaching among the children in your community. Nothing should prevent you from giving a few hours a week to teaching a few in your community who are unable to go to school and who are in need of the rudiments of an education.

In railway engineering, in shipbuilding, in transportation generally and in many other lines the new China will be seeking in varied industries for men of education. Similarly the many and varied industries connected with the development of China's great mineral wealth will unfold a grand field of opportunity to men ambitious to acquire wealth and to serve their country honorably and effectively.

What foreign trade China has is due entirely to the enterprise of peoples other than the Chinese. China owes much indeed to the foreign merchants residing on her shores for they have not only been the means of developing China's foreign trade but they have brought to China modern business methods, thereby according a large Chinese population opportunities for practical instruction in modern business. The modern educated Chinese will find it greatly to his advantage to seek employment with foreign firms in the capacity of clerk, stenographer and general office assistant with no exorbitant demands as to salary compensation. It is almost impossible to-day to secure a good Chinese stenographer in Shanghai, and yet what field offers greater prospects for a Chinese educated in English than that of modern business in his own country, especially that connected with foreign trade. For Chinese trained in stenography and typewriting there is no difficulty in securing well paid positions in foreign firms carrying with them the opportunity of learning to understand modern business methods. Some of the most prominent men in American public and business life to-day owe their success to serving as private secretaries and stenographers to managers in business and public officers.

The modern educated student in China cannot take a better post graduate course than to enter the services of a successful native corporate enterprise. He will in subordinate positions with such a concern have better opportunities of learning to understand business in its varied details than if he were to take the proprietorship of an old-type one man or one-family establishment. Probably the majority of successful American merchant millionaires started life in humble positions, many as office boys and common day laborers. Many American college graduates accept equally humble positions in order to get a start and to secure opportunities for learning the business from the bottom up. It is very unfortunate that the institution known as "face" militates so seriously in China against educated young men taking subordinate positions, a sad handicap to China's young men.

There is still another institution in China which will have to be gotton rid of, in order to make way for successful corporate business. This is "squeeze." Modern business demands honest goods, an honest currency and honest service. The days of watered cotton, watered peanuts, adulterated vegetable oils, clay beans, dirt-laden wheat, dishonest weights and measures, and other dishonest practices must be numbered if commerce and trade under native auspices are to flourish and thrive in this country and in its business abroad? Nor will it be possible in China or anywhere else to make business profitable and develop its potentialities, when it is necessary to carry on the pay-rolls numerous relatives who have no desire to give the equivalent in service for the money received. During a recent visit to the United States, in conversation with one of our prominent merchant princes, I was informed, in reply to a question as to the most noteworthy advance in business in the United States during the past ten years, that it was in salesmanship. The enterprising American salesman to-day sells service and satisfaction with his goods and knows that this is the only way to establish credit and insure continued business. By service he means to treat his customer, so that he feels pleased with having done business with him and wishes to do more? By satisfaction, he means he gave honest goods and honest measure. The Chinese business man appreciates the significance of these terms, and there are thousands of individual business men who are strictly honest and considerate, making every effort to give satisfaction and service. But there is lack of collective activity in these matters. There is no community spirit which aims to put a stop to sharp practices and to discourage dishonest business generally. There is need of organization in this as in other fields of activity in China.

There will be many millionaires in China during the next few decades arising from the development of modern industry and commerce in this country. With the accumulation of wealth, naturally goes the opportunity for service so that the successful business man will find plenty of opportunities for position and influence in this country. I strongly urge that those of you who are depending upon relatives, friends, or chance to get you official positions, and look to that official position in any other light than that of service to your country, that you forego aspirations in that direction for the time being, and enter upon a career in the industrial and commercial life of the "New China." This will afford you big opportunities for material gain and equally great, if not greater, possibilities in public spirited service.

Violating the "Open Door" in Manchuria

PRIOR to 1912 no difficulty existed in obtaining Silver for notes in Mukden. At that time 70% of the foreign trade of Manchuria as well as the principal lines of transportation and communication were controlled by the Japanese. Having regard to these facts and being thoroughly conversant with the enormous natural resources and possibilities of the country, a carefully prepared plan, which, in the light of subsequent developments, warrants the assumption that it was designed expressly to block—with one exception—the future expansion of all foreign trade and to oust the few but powerful American and British firms already established there, was conceived and put into operation. Its objective was to disorganize the existing financial system to such an extent that Japanese financial institutions and Japanese currency should dominate all business transactions and provide cogent reasons for the ultimate appointment of a Japanese financial adviser to control the provincial finances. The chief difficulty was to attain this objective without appearing to infringe the conditions imposed on both China and Japan by treaty which provide for equal opportunity for all nations and the open door in trading. This part of the plan has been skilfully accomplished by so operating that the responsibility for the breaches of the treaty that have made equal opportunity a dead letter in Manchuria has been effectually fastened upon the Chinese; at the same time the original plan has prospered so far that financial disorder resulting from its operations has created a discrimination in favor of the Japanese—which has increased from the two or three per cent average of the first three years to a ten per cent average for the nine months preceding May 1, 1918, and is now forty-five per cent against the merchants of all other nations. This is a state of affairs that, unless checked, must result in the inevitable completion of the original plan. The writing is now on the wall for neither Foreigner nor Chinese can hope to compete against such a handicap.

This encroachment upon the policy of equal treatment was not allowed to pass unchallenged and after the repeated failures in June 1916 of individual attempts to obtain silver for notes, which by that time had depreciated to between five and eight per cent, the necessity for concerted action was felt and the formation of the British Chamber of Commerce, Mukden, was decided upon early in July. Prompt action was taken. Meetings between representatives of the British and Chinese Chambers of Commerce were arranged, at which the matter of the preference given to Japanese in the redemption of notes was fully thrashed out, with the result that the agreement between the Chinese Chamber of Commerce and the Japanese Chamber of Commerce, whereby the latter had acquired the exclusive right to convert $60,000 per day from notes to silver at face value was terminated and a new agreement embodying the principle of equal treatment, signed by representives of the Chinese Chamber of Commerce, the Japanese Chamber of Commerce and the Cash Guild, was substituted. This was confirmed by a Government proclamation stating that all notes would be converted to one of several currencies mentioned in the notice, by the respective banks of issue, regardless of whom they were presented by, thus giving equal facilities to all. The new arrangement worked satisfactorily during the time the notes remained about par, the small profit made by sending the silver to Dairen, where the exchange rate is regularly under that of Mukden, being barely sufficient to compensate the Japanese for the trouble and risk of counting and forwarding, but the steady drain upon the silver reserves of the banks caused by the operation of that portion of the original plan which provided for the removal from the province of all silver converted, began to make itself felt. Owing to the inability of the Chinese to check the operations of the southern railway the attempts to restrict the amount of silver leaving the city proved abortive. Recourse was had to the Japanese for loans to purchase silver, the bargaining for which, in spite of repeated protests, resulted in the making of another agreement which provided for the daily conversion of $40,000 exclusively for the Japanese. It was ascertained that Chinese were especially barred, which had the effect of driving them to the Japanese, who were thus kept fully supplied with notes. Claims were again lodged, by those interested, meetings arranged and the matter again discussed with the Chinese Chamber of Commerce. Every effort was made to obtain recognition of treaty rights. The only reason given by the Chinese for their action was fear of reprisals based on the Twenty-one demands. Although nothing practical resulted, exertions were not relaxed and the matter was eventually taken up by the combined Consular body of Mukden—Japanese excepted. Meanwhile, the difference in favor of the Japanese steadily increased. Continuous pressure at length resulted in the announcement that after a certain date all banks in Mukden would suspend the payment of specie, the evident idea being to create an impression of equality of treatment. It was ascertained, however, that preference to the Japanese was being continued, under circumstances that gave them still greater advantages,—for in consideration of relinquishing their right to redeem $40,000 daily, a secret agreement had been entered into whereby three million yen had been borrowed by the Provincial Government from the Japanese

and deposited with the Bank of Chosen as security against loss by depreciation on Chinese Bank notes held by Japanese. It was estimated that this sum would be sufficient to last until the end of the present year when other arrangements will have to be made. As soon as the announcement was made that the banks would suspend payment of specie, values dropped to s. c. $1.50 equal to "one large dollar," and as it was known that the sum of three million yen had been deposited in the Bank of Chosen the fall continued until last month when small currency $177.00 equalled silver $100.

The following are concrete instances of how the interests of American, British and all merchants other than Japanese are affected by the present situation:

1. What is known as small coin is the currency in which all native business is transacted.

2. This is represented by notes of the face value of ten silver cents each, representing one dollar.

3. The relative value compared with silver dollars has been fixed by the provincial government at $1.20 small coin notes equals one silver dollar.

4. Japanese are able to convert all their small coin holdings into silver at this fixed rate of $1.20. The advantage to them is shown by the difference between the fixed rate and the market rate of the day which others are compelled to take.

5. In order to provide a safe working basis in fixing prices for Manchurian markets, importers have to take an arbitrary rate to protect themselves against possible depreciation of local notes by the time accounts are liquidated. Japanese, by agreement, have the fixed Mukden rate of $1.20 as a sure basis for their transactions.

6. Credit being absolutely essential in the Mukden market, the question of guarantees is of first importance. To all traders other than Japanese a guarantee of small coin dollars $1,000 at the exchange rate of $1.50 would only be worth Mex. $666—to a Japanese it would be considered as Mex. $833. Therefore in competition, the latter would have an advantage of twenty-five per cent in the amount of credit he could safely extend to his client, and in the event of failure of the native trader and recovery by the merchant of the full amount of the guarantee in small coin dollars no loss would accrue to the Japanese, while any other merchant might have to face a very serious loss.

7. To protect themselves, merchants who are not Japanese are forced to sell in currencies to which the natives of Manchuria are unaccustomed and of which, comparatively speaking, small quantities are available and then only at certain specific points along the railway line. In itself, this hampers the expansion of any trade other than Japanese, for Chinese merchants at inland towns have no facilities to buy or arrange with banks to cover transactions in currencies foreign to them and are forced to adopt the simple and ever ready alternative of obtaining their supplies from the Japanese who will readily accept their currency.

8. It will be seen therefore that the preference given to Japanese merchants by this agreement enable them securely to trade throughout Manchuria, untrammelled by depreciation in local notes and guarantees given in terms of local notes. Against goods supplied they will receive for every $120 in local currency, silver dollars $100 or its equivalent in other currencies to realize one hundred Silver Dollars.

The operation of the agreement is as follows:

1. The Provincial Government Banks issue Fengtien big dollar notes.

2. In relation to small coin, the big dollar note has a fixed value of $1.20.

3. Big dollar notes can be obtained at issuing banks for their equivalent in small coin notes.

4. By agreement with the Provincial Government, the Japanese have the exclusive privilege of converting $40,000 in big dollar notes to Silver Dollars every day.

5. One hundred silver dollars at present will purchase about one hundred and seventy-seven small coin dollars.

The agreement in question violates all treaties made with other powers enjoying the most favored nation clause, because it gives preference to the Japanese. This violates treaty rights and may be summed up as follows:

1. It discriminates against all interests except Japanese.

2. It violates treaty rights.

3. It embarrasses operations and checks the trade expansion of other countries.

4. It kills all pioneer work, and places all but Japanese in a position of having to face serious losses in trade and money, as explained above.

Apart from the above is the matter of prestige which American, British and other foreign interests except Japanese certainly have lost in Manchuria. In all negotiations which took place at Mukden between the Japanese and Chinese no Consular officer of any other Power was invited to attend or take part in any discussion upon the vital question of currency and the present critical situation which has existed. All efforts on the part of the consular officials at Mukden have been pointedly ignored by the Provincial Authorities. This alone constitutes a serious affront to the Powers they represent.

As stated at a recent conference pending a revision of their prices upon a new basis and in currency of which there is only a limited amount obtainable at certain points in the Mukden market several large concerns, with considerable interest in the province, have been obliged to suspend selling owing to the critical monetary situation. It is reasonable to suppose that these concerns in reporting upon a situation that calls for what reasonably may be said to be an unparalleled measure, have protected themselves by stating that they had called the attention of their respective Consuls to the situation, and it may be assumed that the head offices of such concerns will raise questions which will call for satisfactory explanations. The point now to be determined is whether the Powers are going to stand idly by and suffer a loss of prestige and trade without making a protest, or are they, with the full facts

before them, going to insist upon the same treatment and the policy of the open door?

If non Asiatic merchants are to share and share alike in all trading advantages in Manchuria, they should be represented as well as the Japanese in any matter pertaining to its currency and the reform thereof, for all are affected in the same manner as they are. No one Power should enjoy preferential treatment in this matter unless they are prepared to sacrifice without protest the principles for which all stand and which are their legal rights.

American Citizen Acquitted in Espionage Case

THE first case of an American citizen in China charged under the Espionage Act of the United States of America recently amended, heard in the American Consular Court at Shanghai on Wednesday July 17, resulted in an acquittal. D. L. McCoy, a Yale graduate, 24 years of age, in the employ of Andersen, Meyer & Company, was the accused and the case was heard before Ray D. Tenney, American Vice-Consul at Shanghai. Major C. P. Holcomb, U. S. District Attorney, appeared for the prosecution and W. S. Fleming, an American lawyer, appeared for the defendant.

Since this was the first case of the kind to be tried in which an American citizen was involved in China and because the case is indirectly a result of the recent censorship of American mail established in connection with the American Postal Agency in Shanghai, there was much interest in the case. The charges against Mr. McCoy grew out of a letter that he wrote to his mother, which is reported to have been opened by the Shanghai censors. It is understood that a copy of the letter was sent to the authorities at Washington, and Mr. McCoy's arrest was the result of cabled instructions from Washington. The letter that caused the trouble, which was introduced at the trial, follows:

My dear Mother:

You say you don't suppose that I am much interested in the Siberian question, but I am. It isn't any use our being interested in anything like that, however, because the people in Washington are sure to take exactly the opposite view to that of the very people out here who know most about those questions. Japan has her troops in Siberia, it is abundantly evident that she does not intend to take them out again. She went to Tsingtao and Kiaochow with exactly the same promises and she hasn't moved a trooper out in five years, she is in what is virtually military control of the entire Province of Shantung and will remain so by virtue of just such a promise as she has just made in the case of Siberia. She will move her troops out of Siberia when they are driven out—not before. I think—and we all think out here—that the administration must be crazy to let these things happen. No one but the United States could intervene in a case like this and the administration is either too blind or too foolish to do so. I prefer the latter view myself.

It is perfectly sickening, as far as I can see there remains nothing to stop Japan coming in and taking the whole remaining portion of China that she has not gotten already for herself. If she does what she is preparing to do and the present so-called "Military pact" between her and China goes through that will be exactly what she has done. Anybody that thinks that Japan will do anything in this war but make political capital out of it is mighty much mistaken, and the United States is going to have another serious and bitter war on her hands in a very few years just on account of the ghastly mistakes that the war-blind administration is making to-day.

The war news gets worse and worse day by day. To-day the Germans are within forty miles of Paris and still advancing and the Allies are still retreating as per a prearranged schedule to previously prepared positions. Why do the people continue to let the Press Bureau fill them up with this sort of rubbish? If we are being beaten in this war—and from the looks of things at present we most assuredly are—why it is time the people know about it. If, due to the petty politics and gross incompetency of the men that this administration have put in charge of our shipbuilding aeroplane and gun-making activities, there are not enough men and guns and aeroplanes in France now to hold the line, it is time the people knew about it. The way it looks out here is that Wilson, while being a very glib writer of pretty speeches, has not had the ability or the knowledge of men to get things done himself or pick men to get them done for him. Twelve months—and one American aeroplane in France. Twelve months and no American guns in France: these are the results shown by Wilson and his associates. "By their fruits ye shall know them." If they think this war is to be won by speechmaking and note-writing they have got a big disappointment coming.

LITTLEFIELD.

Mr. McCoy's Evidence

In the evidence, Mr. McCoy stated that he is an American citizen, that he was born of American born parents and that his home is at Central Falls, Rhode Island. He was graduated from Yale University in 1916, is a member of the American University Club of China and has lived in China for a little more than two years. He stated that the letter was written without any intention of infringing the law and intended rather as an expression of personal opinion at his discouragement that more had not been done in America in the fight against the Germans. He stated that he had no intention of criticising President Wilson, but that he did feel that after reading various American newspapers and periodicals, that certain officials under the President had not brought about results that might have been expected. After commenting on the charges that had been brought against Mr. McCoy and quoting from the Espionage Act, Mr. Fleming in part said:

"The right of public criticism has always been considered essential to good government in a democracy, and the purpose of the Act is not in any way to limit fair criticism of administrative officials. Senator Lodge had used stronger language over the matter of aeroplanes, shipbuilding and artillery provision and the matters were the subject of investigation by Congress. Stronger criticism had been found in the *North American Review* than that written in the letter to his mother by the defendant. It could not be that Congress ever intended to include such a state of facts as

those in the letter within the law, which had as its purpose the stopping of enemy propaganda in the United States and the suppression of the activities of the I.W.W.'s. It was not intended to stop the voices of the loyal and patriotic who were not satisfied with all that was being done by those identified with the administration.

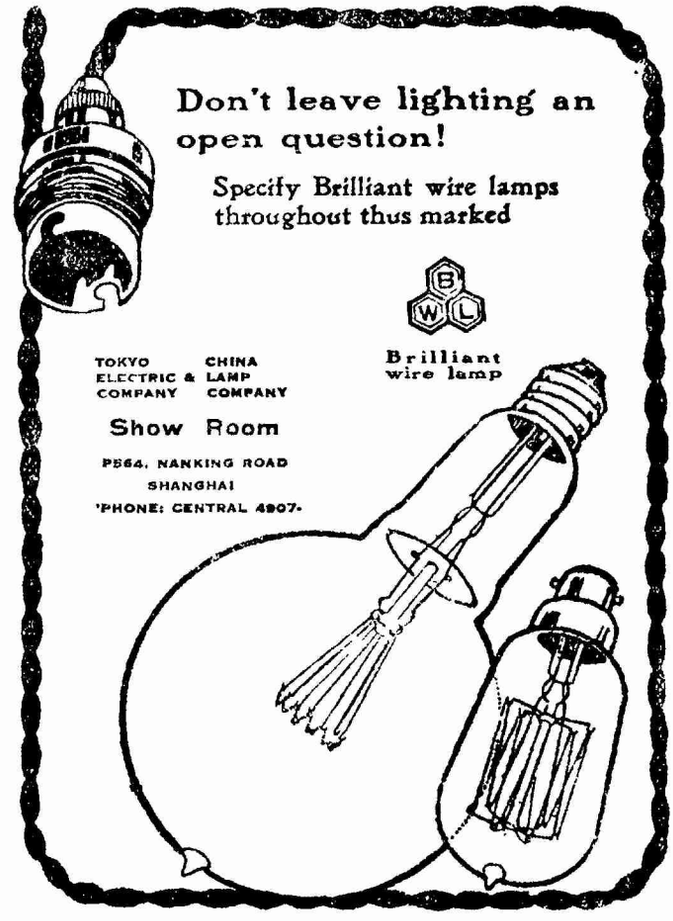
"Here is a young man, just as loyal and just as patriotic as any other young American in Shanghai. He has made certain comments on the administrative officers of the Government. His conclusions were reached through reading responsible American journals. These comments were inspired from the most patriotic and loyal of motives and not with the intent mentioned in the charge. He thought that the war preparations had not been pushed fast enough, that all had not been done that might have been done, that the military force had not been supported to the fullest possible extent in guns, aeroplanes and ships. Not through disloyalty but through love of his country were these statements made and how in these circumstances can he be found otherwise than free from guilt?"

Major Holcomb Explains Act

Major Holcomb in explaining the purposes of the Espionage Act in part said: "The accused is brought before the Court under an Act which was originally passed in 1917, and amended on May 23 of this year, as the Act passed last year was found to be abortive for the purpose of putting a stop to criticism that was doing harm to the Government both at home and abroad. The very fact that the success of the war depended on America, who had as great an interest as any other nation in the world in the war, upon public opinion was responsible for the passage of the measure, for no war, no campaign could be carried to a successful issue without being backed up by strong public opinion. The accused, while making the statement in the witness box, admitted that he formed his opinion from such disloyal utterances as had been printed and for which no doubt this law was passed."

In dealing with the letter Major Holcomb said it was natural that the defendant's mother in America would show the letter to friends and the use of the words "we think" would tend to convey the impression that the writer was representing the opinions of all Americans out here in China. There was no knowing what harm might be done by such a letter. Counsel submitted that what had appeared in papers in America had nothing whatever to do with the present case. Without doubt those papers would be taken care of in the United States by the proper authorities, while as for the criticism of Senators, his learned friend knew that their utterances were privileged and they could not be called to account for them. He denied that the law was passed for the purpose of dealing with certain groups of people, it was passed for all citizens to obey, and he submitted that a careful reading of the letter would show that it came within the Act.

Mr. Tenney in giving his decision said that under the rule of strict interpretation of the crime as defined by the Statute, the Court would find that no crime had been committed and therefore the defendant would be discharged. He stated that he believed that the accused is a loyal American citizen, but that the Court would like to warn him to be more careful in the future.



Notes from Peking

W. F. Tyler, Coast Inspector of the Chinese Maritime Customs of Shanghai, H. van der Veen, Consulting Engineer to the National Conservancy Bureau, and Yang Pao-ling, in charge of the river conservancy department of the Bureau, who are all members of the Commission for the Improvement of the River System of Chihli, will visit the Niu Mu Tun and other rivers in Chihli next Tuesday. The inspection of these rivers will take four days, and its object is to improve the river courses and guard against future floods.

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There is a split in the Chaotung Clique, it is reliably stated in official circles in Peking. Liang Shih-yi, an influential political leader, and Yih Kung-cho, Vice-Minister of Communications, have had ill-feelings with Tsao Ju-ling, Minister of Finance and also Minister of Communications, and Lu Chung-yu, Director of the Chinese Japanese Exchange Bank. This split may be patched up, according to those who know the inside working of the clique.

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Dr. C. D. Tenney, Chinese Secretary of the American Legation in Peking, is spending his holidays in Peitaiho with his family.

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Dr. C. C. Wang, Director-General of the Peking-Hankow Railway, has been ill for a few days. All his friends wish him a speedy recovery. His indisposal is said to be due to the dampness of his summer home near the Race Course, where his family is now staying.

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C. H. Minor, of the Western Electric Light Company, who has recently completed the arrangement

for the establishment of a Chinese-American-Japanese company for the manufacture of electric apparatus in China, will go to Shanghai for a short visit some time next week.

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Joseph Ripley, one of the foremost American canal engineers in America, has been engaged by the Chinese Government as Chief Engineer of the South Grand Canal Improvement. He will sail for China at the beginning of August. He is now 65 years of age, and is well experienced in canal work. In 1877 Mr. Ripley was engaged for the United States Government in the work of the Sault Ste. Marie Canal, Michigan, as assistant engineer. In 1905 he was appointed a member on the International Board of Consulting Engineers of the Panama Canal. Later he was made principal assistant engineer of that great work. He was then in charge of designing locks, dams and regulating works. In 1906 and 1907 Mr. Ripley held the high position of Assistant Chief Engineer of the Panama Canal Construction Works. Since that time, he has been acting as consulting engineer on the New York State Barge Canal work, one of the largest engineering and construction enterprises even undertaken in the United States of America, which has been recently completed at a cost of G. $150,000,000.

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Mrs. Cutrer, wife of the Assistant Military Attache of the American Legation in Peking, went to Chingwantao last Saturday to pass the summer there.

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One of Liang Shih-yi's daughters will be married next week to the son of Mr. Kwan, a former official in Peking, at Hongkong. Mr. Liang explains that his departure for Hongkong has nothing to do with politics.

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The report that General Feng Yu-hsiang, a brigade commander at the Hunan front, has declared independence of the Central Government is rather premature. It is stated in official circles that his declaration of independence has been expected since the time when General Hsu Shu-cheng shot his uncle, Lu Chien-chang, at Tientsin without giving him any trial. If General Feng does declare independence, the situation in Hunan would be serious.

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The Government has received a telegram from Shansi stating that strict measures have been enforced for the suppression of poppy cultivation in the southern part of the province and that General Chang Pei-mei, the Occupation Commissioner of the locality, has gone to consult the Military Governor about the anti-opium campaign.

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Walter Whiffin, Peking correspondent of the Associated Press, had an interview with the Prime Minister on July 9.

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Captain Chen Ting-chin, brother of Dr. Chen Chin-tao, former Minister of Finance, a graduate of the West Point Military Academy, has returned from Europe after having spent over seven months in France observing for the Government the war operations at the western front. He arrived in Peking last Wednesday and will not return to Europe. His colleagues, who went to Europe with him on the same mission, will remain if their expenses can be found.

The ex-Imperial Consort Yu celebrated her birthday on Monday last and a number of distinguished persons went to the Palace to tender to her their congratulations. Among those who sent presents to the ex-Imperial Consort was Hsu Shih-chang.

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The Ministry of the Interior has sent C. S. Shen, a Cambridge graduate in mechanical art, chief of the 3rd department of the Metropolitan Municipal Council, to study the Municipal Administration of the International Settlement at Shanghai.

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The Chinese Government has refused to sign the agreement concerning the working of the Fenghuangshan iron mines by the Japanese. This is partly due to the fear of British protest and partly due to the difference of opinion between Nishihara, the secret agent of the Japanese Prime Minister, and the owner of Messrs. Okura and Company, who holds the original concession made in the spring of 1918 at Shanghai.

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Only $44,319,900 worth of the 7th year short term bonds and the 7th year 6 per cent bonds have been sold. As the time for the redemption of a portion of the 7th year short term bonds is due, it is deemed inconvenient still to put the bonds on the market for sale. The Ministry of Finance has published a notice informing the public to the above effect. It has handed over the unsold bonds to the Bank of China and the Bank of Communications to return the loans made from them.

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On Wednesday afternoon at 4 o'clock, the 150-ft. reinforced concrete mast being erected for the American Legation Guard by Andersen Meyer & Co. had been successfully put in place, when one of the guy ropes, being defective, broke, throwing all of the strain on the other three. This unusual strain caused them to give way and the top section of the mast described an arc of three quarters of a circle, the end striking the bottom section of the mast and tearing it away from its foundation. In the fall four Chinese workmen were unfortunately killed. The mast fell across the winch at which twelve coolies, supervised by the foreman, Mr. Pedersen, were working, but fortunately none of these men were injured. The construction of a new mast will immediately be begun.

***

July 12 was observed generally in Peking as a holiday in commemoration of the collapse of Chang Hsun's monarchical movement last July and the restoration of the Republic. All the yamens had holidays. Last evening the gate of the President's Office was decorated with electric light in different colors. The Central Park was full of people until late in the evening. All the shops hoisted the republican flags in celebration of the occasion.

***

Robert H. Kirk, Comptroller of the Rockfeller Foundation, is visiting Peking. He is accompanied by

Mrs. Kirk. Mr. Kirk is inspecting the property of the new Union Medical College.

***

E. C. Wilton, of the British Legation at Peking, has been appointed Consul-General to Hankow to succeed Sir W. H. Wilkinson.

***

Dr. John Ferguson, adviser to the Chinese Government, has returned to Peking from America after an absence of several months.

***

Hsiung Hsi-ling, Director-General of Flood Relief and Conservancy, has presented a petition to the President requesting the appropriation of additional funds for the improvement of the river system of Chihli. Efforts are being made to secure a release of the salt revenue now deposited in the Group Banks as security against the payment of monthly salt revenues. In view of the fact that every month there is some surplus salt revenue, such a security is not necessary and can be wisely returned to the Chinese Government for the purpose of preventing future floods.

Peking, July 13, 1918.

Who's Who in China

Hsu Shih-chang, a leading candidate for President at the forthcoming elections in September

(This the first sketch of one of the three Presidential candidates, the other two being President Feng Kuo-chang and Prime Minister Tuan, whose sketches will also be given later. Editor.)

Hsu Shih-chang, one of the several living statesmen who held high official positions during the Manchu Dynasty, is the most hopeful candidate for the presidency u

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Steam	Fire Insurance
Automobile	COLLEGE PREPARATORY
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05-303

the election to be held in September this year. He is now staying in Tientsin, which has recently assumed political importance.

Mr. Hsu is a fellow provincial of the late President Yuan Shih-kai, who provided him with traveling expenses when he wanted to come to Peking to take examinations. He was a poor scholar in his youth. After having successfully passed the metropolitan literary examinations, Mr. Hsu was given official positions of various ranks, which he held until 1905, when he was appointed Probationary Grand Councillor. Shortly afterwards, he was made Minister of the Government Council. In February of 1906 he was promoted to be Grand Councillor. In November he was removed from the Grand Council in consequence of certain reform measures which he recommended to the Throne and which offended the Court. But one month later he was appointed to head the Special Mission to Manchuria. Upon his return to the Capital, he was asked to be the President of the Board of the Interior. April of 1907 saw him appointed Viceroy of Manchuria, where he stayed until February of 1909, when he was recalled and appointed President of the Board of Communications. Five months afterwards, he became Director-General of the Tientsin-Pukow Railway.

At the beginning of 1910, Mr. Hsu was made Grand Secretary, and Grand Councillor in August. In Prince Ching's Cabinet, which was organized in May, 1911, he was given the position of Associate Prime Minister. This position he resigned shortly afterwards in order to accept the office of the Vice-President of the Privy Council on November 1, 1911. Although he is a literary man, Mr. Hsu was appointed Chief of the General Staff in the same month. The next month he was authorized by an edict to be High Commissioner for Training Imperial Guard, and Grand Guardian to the Emperor, the most honorable position he could ever desire under the Manchu Dynasty. In February 1912, he was relieved of the office of Chief of the General Staff. On the resignation of the Prince Regent, Hsu Shih-chang he was appointed, together with Shih Hsu, Grand Guardian of the Emperor.

After the first revolution Mr. Hsu did not participate in the government of the country until 1915, when he was appointed Secretary of State of the Republican Government. He served the Republic in that capacity for ten months, and then resigned. He was a "sworn brother", of the late President Yuan Shih-kai. With Chao Erh-hsun, Li Ching-hsi and Chang Chien he received the title of "The Four Friends of Sungchan" at the time when the late President Yuan Shih-kai overthrew the Republic and established a dynasty of his own, which was however short-lived. Since then, he has lived a retired life. But he exercises considerable influence upon some of the old military officers who used to serve under him.

Week's News Summary

THE WAR

July 12. French troops attack the Germans on a front of 5 kilometers between Castel and north of Mailly-Raineval, capturing the village of Castel, Anchin Farm and a number of strongly organized spinneys, the advance reaching in some places to a depth of 2 kilometers.——The Allied advance in Albania continues on both banks of the Devoli; Mt. Komjani, on the right bank, is captured and the mountainous region on the left bank between the Devoli and Tomorica is cleared, except for a hill commanding the confluence of the two streams where the enemy is resisting.

July 13. During the night French troops between Montdidier and the Oise advance their posts 500 meters in the region of Porte Farm.

July 14. The French, continuing their success in Albania, eject the enemy from the hill and village at the confluence of the Tomorica and Devoli and capture Gramsi on the right bank of the Devoli.

July 15. The Germans launch an offensive on a 65 mile front from Chateau Thierry to Rheims against the Allied troops; they cross the Marne in several places.

July 16. The Germans reach three villages a mile and three-quarters south of the Marne, where they are held up; the deepest penetration is $3\frac{3}{4}$ miles; the Allies counter-attack east of Rheims and break the attack.

July 17. The German offensive is far from proving a formidable event; the Allies are striking back, and a Berlin *communique* admits counter-attacks near Rheims are successful.——A statement in the British House of Commons indicates that boys under 19 must go to the trenches.

JAPAN

July 13. As the result of an explosion on the Japanese battleship *Kawachi* (20,800 tons) which was lying in Toyama harbor, the vessel sinks in 4 minutes; the captain and 400 officers and men are saved out of a total of 1,100.

SIBERIA

July 12. The British, French and Japanese Consuls at Harbin protest against China's allowing goods to be exported to Manchuria and Russia owing to the likelihood of their falling into German hands.

July 13. Owing to the many armed Bolsheviks arriving at Sahalan from Blagovestchensk, the Military Governor of Tsitsihar sends a cavalry regiment to Sahalan in response to the appeal of the Chinese commandant there.

July 16. The Allies decide upon joint intervention in Siberia upon a limited scale to take effect as speedily as possible; the British contingent is being sent from Hongkong, the French from North China and Indo-China, and the American probably from Manila.

GENERAL

July 9. According to a message from Basel, the Independent Socialist Deputy, Herr Stroechel, speaking in the Prussian Landtag on the occasion of the fifth reading of the Electoral Bill, said: "The spring offensive has not brought any of the successes dreamed of by the Government and has cost us more than 100,000 men killed. Nevertheless the Government is going to attempt another offensive which will certainly cost us still greater losses, while it is altogether doubtful whether it will achieve better success."

July 10. The resignation of Baron von Kuehlmann, the German Minister for Foreign Affairs, causes a

sensation in the Reichstag, where it is announced on his return from Headquarters; Admiral von Hintze, Minister to China up until the declaration of war against Germany, succeeds him as Minister for Foreign Affairs.——In the House of Commons Mr. Balfour states that the whole question of enemy subjects in China was still being considered.

July 11. In the House of Commons, replying to Sir J. C. Rees, Mr. Balfour states that the British Government would take all possible means to prevent the resumption of the opium trade between India and China if any attempt was made to renew it; he understood the Opium Combine was a private association of importers of opium into Shanghai which regulated the price of the landed stock of Indian opium.

July 12. The Stockholm correspondent of the *Daily Mail* states that, in consequence of the landing of Allied troops on the Murman coast, the Russian War Commissariat has ordered hurried preparations for war in this region.—300 Serbian and Italian officers are arrested at Archangel by order of Lenin. ——The Petrograd newspaper *Nashvich* reports that the Germans are pouring troops into the Ukraine, where they now have 35 divisions.

July 15. The U. S. Shipping Board announces that contracts for 3 additional steel cargo ships have been let to Japanese shipyards; the Japanese contracts are divided among 13 companies, five going to the Kawasaki Dockyard Co.

July 17. A sergeant of the Hongkong Police in charge at an outlying station is murdered by an Indian constable, who later sets fire to the police station and commits suicide.——Quentin Roosevelt, youngest son of ex-President Roosevelt, is killed during an airplane fight near Chateau-Thierry and falls within the enemy lines.

America

The 4 a. m. city edition of the *New York Times*, New York, is being delivered in Washington, D. C., by airplane postal service every day at 2:30 p.m. at $1.70 per copy.

According to advices recently received from America the next American Liberty Loan Campaign will begin early in October. The amount of the loan will be for $6,000,000,000 and the interest at 4½%.

After a visit to the White House at Washington, June 13, Henry Ford, urged by President Wilson, decided to accept the nomination for Senator from Michigan. Michigan Democrats, at a meeting at Lansing, after receiving word of this indorsed Mr. Ford for the Senate.

The Essex Institute of Salem, Mass., has a collection of books on China and the Chinese numbering more than 2,000 volumes, and in addition has a complete file of all newspapers, periodicals, and publications of societies in China. This collection is said to be the largest in America.

A number of traveling agents of the Western Union Telegraph Company were arrested on June 20 by Postal Inspectors, on grounds that they were violating the postal law by carrying suit-cases filled with messages filed for transmission by telegraph. Postal authorities had been investigating reports for some time that the company was sending night letters and other messages by train rather than by wire. The penalty for violation of the postal laws is a fine of not more than $500 or six months' imprisonment.

The American Committee on Public Information, Washington, D.C., of which George Crell is chairman, has recently issued a number of booklets entitled "The Red, White and Blue Series" of which the following are some of the titles, "German War Practices," "War Labor and Peace," "The War Message and the Facts Behind It," "Conquest and Kultur," "German Treatment of Conquered Territory." The booklets are attractively printed and may be obtained free by addressing the Committee on Public Information, Washington, D. C.

Men and Events

B. C. Haile, agent for the Pacific Mail Steamship Co., returned from Hankow on July 16.

The Commercial Pacific Cable Co. annouces that cable service to America has again been resumed. The cable was broken east of the island of Guam on June 17.

B. S. Chapman and H. Harman of the Standard Oil Company, will leave Shanghai on the *Venezuela* to-day (July 20) for the United States. They will enlist in the U. S. Army.

From a gift of £150 from the estate of the late S. A. Wilson, former chairman of the Library Committee, the nucleus of a new public library will be formed in Shanghai.

M. Wilden, Consul-General of the French Consulate, H. H. Fox, British Commercial Attache, and H. G. Simms, president of the Shanghai Club, left for Weihaiwei on July 16.

Robert Eddy, of Andersen Meyer & Co., and pitcher of the Shanghai baseball team, will leave Shanghai on August 12 for the United States, where he will enlist in the army.

C. J. Spiker, Vice-Consul and Senior American Assessor in the Mixed Court, will leave Shanghai to-day (Saturday, July 20) per s. s. *Venezuela*. He expects to be away four months. In his absence Vice-Consul Jacobs will sit as Mixed Court Assessor.

Willing Spencer, First Secretary of the American Legation in Peking, has arrived in Tokio where he is to act as councillor of the American Embassy in the absence of Mr. MacMurray, who has gone to Peking to act as Charge d'Affaires during the absence of Dr. Paul S. Reinsch, the American Minister.

Harry Warner and James W. Williams were sentenced to three months and a day in Bilibid prison, Manila, on a charge of vagrancy by Willian S. Chapman, Commissioner of the U. S. Court for China on July 16. Mr. Chapman has just recently been appointed a Commissioner of the U. S. Court, the other Commissioner being Earl B. Rose.

Among the passengers booked to leave Shanghai per steamship *Venezuela* to-day (July 20) for the United States are: W. L. Merriman, member of the Shanghai Municipal Council, accompanied by Mrs. Merriman and daughter; C. D. McGrath of the British American Tobacco Company and Mrs. McGrath; L. Caveria, of Jardine, Matheson & Company; V. Vogel, Olivera and Company; R. S. Cann, manager of the Singer Sewing Machine Company, Singapore office, who has been in Shanghai for the past two weeks; and E. Kempffer of the British-American Tobacco Co.

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Owing to an unadvoidable delay an Index of the first year's issue of *Millard's Review*, which should have been published in May, 1918, is not yet ready for distribution. It is hoped that the Index will be ready for distribution by August 1.

A complete record of all the Chinese subscribers to the recent American Red Cross Drive compiled by C. T. Wang, shows 25,129 members and subscriptions aggregating $51,232.30, of which $45,000 has already been turned over to the Red Cross Executive Committee in Shanghai.

Tseu Yih-zan, Professor of English of the Government Teachers' College, Nanking, has resigned and will become dean of the Commercial Press Correspondence School at Shanghai. Dr. Fong F. Sec, who has held the position heretofore, has now become President of the School.

Instructions recently received at the U. S. Consulate state that a new regulation in regard to American passports has been made. A blanket passport for families is now allowed and applications for papers may be made for husband, wife and minor children. Formerly a separate application had to be made.

The entertainment for the Tsing Hua College men going to the United States now is definitely set for August 7. The Committee met Thursday, July 18, to decide on a program. Fifteen girls are included in the contingent of students leaving on the s. s. *Nanking* August 10, so the Y. W. C. A. has been invited to participate.

About 500 Japanese assembled outside the entrance of the Hongkew Police Station at Minghong Road on Tuesday evening, July 16, and attempted to obtain the release of four Japanese sailors who were arrested for smashing showcases at a watchmaker's shop in Woosung Road. The Japanese were ordered away and several Japanese civilians were arrested.

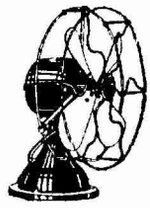
More than a hundred persons were present on Wednesday afternoon, July 17, when the Polish Club at 486 Rue Eugene Bard was opened. M. Jastremsky, president of the Club, gave an address in which he emphasized the necessity of establishing a center of reunion for the Polish community in Shanghai, which has grown since the Russian Revolution.

During the absence of Dr. L. Street from Shanghai, while doing war work in France, his professional duties will be performed by Dr. Ransom and Dr. Overton, assisted by Dr. Massie. The following address will find the above mentioned physicians: Dr. Ransom, 24a Kiangse Road; Dr. Overton, 2a Kiukiang Road; and Dr. Massie, 2a Kiukiang Road.

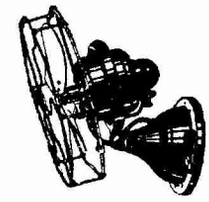
Sunday, July 21, is the 88th anniversary of Belgian Independence Day and the commemoration of the public entry of King Leopold I. into Brussels. A special dinner and dance will be given at Verdun Gardens in observance of the day and members of the Belgian community will attend a dinner at the Cercle Sportif Francais. Consul-General D. Siffert will be the guest of honor.

Here is a new one on the American censor: An American woman in Shanghai wrote a letter to a relative in America and at the bottom of the letter wrote a postscript as follows: "Our little three-year-old daughter will now write you a letter at the bottom of this sheet." The little girl then scribbled a few marks at the bottom of the page. This week the American woman in Shanghai received a letter from "Auntie" in America, which said: "I enjoyed your last letter very much but the censor evidently did not comprehend your daughter's letter at the bottom of the page for he crossed out her pencil marks with black paint and stamped on the sheet, 'Codes not allowed!"

Mr. and Mrs. C. D. McGrath, who are departing today for America have been in China for eleven years and for the last few years Mr. McGrath has been manager of the Shanghai Division of the British American Tobacco Company. Previous to that time he was manager at Yokohama for A. A. Vantine of New York. Mr. McGrath's work in Shanghai has been largely with the Chinese and last week to show their appreciation of his work a number of business men gave him a complimentary banquet and presented him with a silver loving cup and cigarette case. Mrs McGrath for several years has been Associate Librarian of the Royal Asiatic Society and has been prominent in the American Woman's Club of Shanghai. Mr. McGrath has resigned his position with the British American Tobacco Company and in the future will be interested in the collection of curios and antiques, a subject that he has always been interested in and in which he is considered an authority. His address in New York will be 46 Maiden Lane.



G-E FANS



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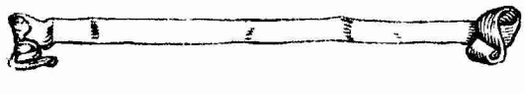
Chan Chung-wing, a native of California, graduate of Lowell High School and the Law School of St. Ignatius University (both of San Francisco) and now in charge of the foreign exchange department of the Bank of Italy, was recently admitted to practice law after examination by the District Court of Appeals, San Francisco. Mr. Chan was among 86 applicants of whom 49 were admitted; he was among the three best and his percentage was 96.

Chinese Consul-General C. H. Chu, newly appointed to San Francisco, was the guest of honor at a luncheon on May 24 given by the China Commerce Club of California. Among the guests present were: S. H. Tan and H. P. Wang of the Consular Staff; Mark Thue, President of the Chinese Chamber of Commerce; Frederick J. Koster and George C. Boardman of the San Francisco Chamber of Commerce. Captain Robert Dollar, President of the Club, told of the success of the Red Cross Drive and the Third Liberty Drive and said that much credit was due to many Chinese friends who volunteered to share in the subscriptions. Louis Getz, vice-president of the Club, returned to the States with Mr. Chu from Shanghai.

The intelligence bureau of the Southern party in a notification from Canton states that the reorganization of the Military Government at Canton in accordance with a resolution of the National Assembly in Extraordinary Session is progressing smoothly. Five of the seven Administrative Directors elected have accepted their election certificate, they being Dr. Wu Ting-fang, sometime Acting Premier of the Republic of China; Admiral Lin Pao-yih, Commander-in-chief of the Chinese Navy now in Canton; General Lu Ying-ting, formerly Inspector-General of Liang Kwang; General Tang Chi-yao, Military Governor of Yunnan; and Tsen Chun-hsuan, formerly Viceroy of Liang Kwang. The other two Directors expected are Dr. Sun Yat-sen, First Provisional President of China, and Tang Shao-yi, a former Premier of the Republic.

A. R. Hagar, of the International Correspondence Schools, and Wu Chih-hwei, of the Ministry of Education, addressed the meeting of the Advertising Club, held at the Y. M. C. A. Tuesday evening, July 16, at 8 o'clock. Mr. Hagar made a strong appeal for raising the quality of advertising in China and in the course of his address remarked that the various magazines and newspapers in China carried a bulk of advertising but the quality of the advertising had not kept pace with the quantity. The speaker emphasized the fact that truth was a necessity in advertising and urged the maintainence and upbuilding of a high standard and also he suggested the compilation of geographical reports showing the circulation of publications in China, giving data regarding the extent and character of communities reached. Mr. Wu discussed the simplification of the Chinese written language; he said his solution of the problem was to ignore all systems in use and adopt the most commonly used sound for each word. Both addresses were given in English and Chinese. Dr. Fong F. Sec., vice-president of the Club, presided.



American Architects May Now Advertise

The American Institute of Architects, comprising in its membership all of the leading architects of the United States, at its annual meeting in June lifted the bars that have for years prevented its members from advertising. According to the new ruling American architects are now free to advertise as they will, even to the extent of placing signs on new buildings in course of construction giving the name of the architect. In abolishing the rule the Institute voted that the architect is now left free to follow his own choice in the matter of advertising. In announcing the ruling the committee said: "Let us do this if for no other reason than to make it clear that in this day of democratic upheaval our Institute is not unmindful of the writing on the wall in the use of advertising—this increasingly recognized public educational force."

Can You Answer These?

In order to provide entertainment for the readers of the REVIEW during the "cool" summer vacation evenings now prevalent, we print the following questions bearing on the war. The list was originally prepared for a class in history study at the University of Wisconsin.

What trick of the Kaiser lured Russia into mobilizing first?

How could a group of men at Germany's secret war council set the world afire?

How did Germany teach her soldiers to commit atrocities and to sneer at international law?

Why did Germany wait a month after the secret war council before beginning the war?

Why is the submarine an outlaw?

What is the status in international law of the British blockade?

Just what does the Pan-German party want?

What moral and religious ideas in Germany made this war possible?

Can you name five ways in which Germany violated international law?

What is the evidence that Germany made war on America in time of peace?

Why was the United States unwilling to put an embargo on the shipment of munitions?

Can you answer Germany's defense of her acts as presented by Dernburg and others?

How does Prince Lichnowsky's memorandum prove Germany's guilt?

In what way did the German socialists sell out to the Kaiser?

How long has the German government been planning this war?

Julean Arnold Resigns as Red Cross Field Representative.

Julean Arnold, American Commercial Attache and Chairman of the American Delegation of the Tariff Revision Commission, has resigned as Field Representative for the American Red Cross in China. A cablegram from Washington was received on Friday, July 19, accepting Mr. Arnold's resignation, with a

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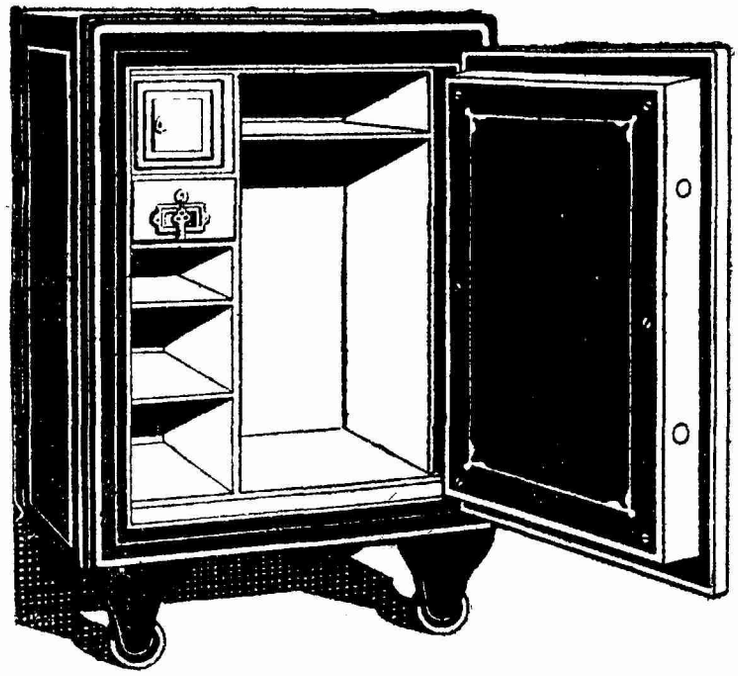

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statement of appreciation from the Head of the American Red Cross for his work in connection with Red Cross work in China. In a statement this morning Mr. Arnold said the reason for resigning his position as Field Representative for Red Cross in China was due to the pressure of work on the Tariff Revision Commission and his duties as American Commercial Attache. Mr. Arnold was appointed Field Representative for the Red Cross several months ago when F. N. Doubleday, organizer, was in China and much of the success of the Red Cross in China is due to Mr. Arnold's work. This is especially true of the Red Cross Drive which was conducted in Shanghai several weeks ago. In this Drive, in which Mr. Arnold was assisted by J. K. Sague, American delegate to the Tariff Revision Commission, approximately Mex. $110,000 for the Red Cross was raised. Included in this amount were membership fees of 30,000 Chinese in Shanghai alone. About half of the amount raised was contributed by Chinese.

Japanese-American Trust Co. in Shanghai

The Japan-American Guaranty Trust Company capitalised at Yen 20,000,000 has opened offices at 6 Kiukiang Road under the name of The Mercantile Company, with S. T. Nien as the agent in Shanghai. Mr. Nien received his appointment by wire from T. Sugahara, the chief director of the new Trust Company. The object of the company is to finance enterprises in China and other parts of the Far East, such as investments on gold security, properties, business firms, taxes, shipping and other commercial activities. Many Chinese and Japanese officials are indentified with the new company and are as follows: Liang Shih-yi, Lu Tsung-yu, Hsiung Hsi-ling, Lin Chang-ming, Hsu Shih-yin, Hsu En-yuan, Tsao Ju-lin, Chang Wen-kwan, Chu Pao-san, Chang Chien, Wang Ko-min and Chou Yoh-shih of China; Messrs. Backner, C. W. Morse, Tusker and Jennings of New York; Mr. Shingle of Honolulu. Messrs. Fleisher, Mogi, Okura Ki, Otani Kahei, Kato, Takamine, Kondo and Asano of Tokio; and Messrs. Magoshi, Kurachi, Furukawa, Yamamoti Takasaburo, Iotaro and Masakata Goro of Shanghai. On July 4 a meeting of the promoters of the company was held in Tokio and it was decided to offer 30,000 shares for subscriptions out of the 400,000 issued. July 24 has been set as the date for subscription. Thus far two branches have been established in Japan, Osaka and Kobe. The official opening of the company will take place in the early part of August.

Women's Work

Women in Japan Treated Like Dumb Animals

A series of articles entitled, "The Rise or Fall of Japan" are being contributed to a Japanese daily newspaper by Kayahara Kwazan. The articles deal with the treatment of Japanese to animals and women. The writer says: "The Japanese are a people who maltreat animals as well as their women folk. There is no country in the world where women work as hard as they do in Japan. Yet in the majority of cases the labor of Japanese women is not converted into cash and property for women. In Japan women are virtually prohibited from ownership of any kind of property. Silk, tea and cotton yarn are the three principal commodities of Japan's exports. All these goods are manufactured by women. These industries, however, are responsible for the death of an enormous number of women annually, mostly from tuberculosis. It is said that 200,000 girls must be recruited every year to replenish the depleted ranks of the female workers. This single instance would be sufficient to show the extent to which the maltreatment of women is carried on in the country.

"The Japanese, who treat their womenkind in an infamous manner and do not pay attention to their health and lives, are not very careful about their own health. In short, ideas about health and sanitation are in a very undeveloped state here. Statistics bear an eloquent testimony to this state of affairs. In recent years the rate of mortality among women and children has been steadily growing and tuberculosis is rampant, especially among women. This is not all. The criminal waste of life is evident everywhere in the country. Murders and *shinju* (double suicides) are as frequent as the self-destruction of women by hanging, drowning, poisoning or by suicides on railways. Many of these suicides are caused by dissolute habits of husbands. Any amount of these incidents may be found in the third pages of Japanese papers. They occur among the poorer as often as among the wealthy classes. No people in the world throw away their lives so wastefully as the Japanese and it is interesting to study whether this is due to some inherent weakness in their national characteristics."

Red Cross Notes

The American Red Cross bandage department has removed from the temporary workroom on the top floor of the American Trading Company to its former place again at 18B Kiangse Road, which was recently damaged by fire.

The U. S. Department of State has been advised by the American Red Cross that at a meeting of the joint war committee of the British Red Cross and the Order of St. John in London a motion was made by Her Royal Highness Princess Christian, seconded by Mr. Risdale and supported by Sir Herbert Perrott, that the committee offer the American Red Cross a fully equipped hospital of 500 beds, which, by permission of His Majesty King George V., would be erected in Windsor Great Park. In was stated that the joint war committee, in asking the American Red Cross to accept this gift, stated that it desired to mark its admiration of the devoted work which the American Red Cross performs for the cause of humanity and at the same time its gratitude for the warm-hearted cooperation which the American Red Cross extended to the British joint war committee in Red Cross effort common to both nations.

Word was received at New York on June 15 that Representatives of the Japanese Red Cross are expected soon to visit the United States to study the methods of the American Red Cross. Baron Ishiguro, president of the Japanese Red Cross who heads the mission, and his compatriots were in-

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Announcements for the Academic Year 1918-19.

CURRICULUM: The Premedical School offers a three year course in the fundamental subjects which are pre-requisite to the study of medicine. The curriculum includes courses in mathematics, physics, chemistry, biology, English, Chinese and German. The work in the second and third years is of the grade required in the first two years of the best American Universities. Students who complete the work of the Premedical School satisfactorily will be admitted to the first year of the Medical School without examination.

MEDIUM OF INSTRUCTION: All courses except those in Chinese language and literature are conducted in English.

ENTRANCE REQUIREMENTS: Admission to the Premedical School is by examination. To be eligible for the entrance examinations, a candidate must be a graduate of an approved Middle School, and must possess a good working knowledge of English, both oral and written.

ADVANCED STANDING: Admission with advanced standing will be granted to candidates who present suitable credentials showing the completion of one or more years of work of collegiate grade and who pass satisfactory examinations in the subjects for which credit is desired.

EXAMINATIONS: Examinations for entrance and for advanced standing will be held at Peking, Shanghai and Canton, June 18 to 22, and August 27 to 31, 1918.

CALENDAR: The first semester opens Tuesday, September 17, 1918, and closes January 31, 1919. The second semester opens February 11, 1919, and closes June 20, 1919.

The work of the Medical School will open in September 1919.

Applications for admission to the entrance examinations and requests for further information should be addressed to

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vited to come to this country by H. P. Davison. chairman of the American Red Cross Council, with the view of still further cementing the friendship and increasing the usefulness of the two organizations, both of which have figured in so large a humanitarian way in the present war. The visiting commission will be received with high honors from coast to coast.

Notes from Japan

Yen 6,000 was realized from the Red Cross Yokohama Fete held at the Grand Hotel, Yokohama, on June 15. Nearly Yen 1,800 was received from the sale of Mrs. Howard's paintings.

A summer school for instruction in the means of overcoming stammering will be held in Seoul, Korea, beginning August 13, under the auspices of the Chosen Educational Society.

G. S. Phelps, Honorary Secretary of the Japan Chapter of the American Red Cross, has sent out circulars of information and blank application forms for the American graduate nurses in Japan and Chosen in order that they may enroll for local service in time of need or for other purposes. The Department of Nursing of the American Red Cross is getting in touch with scattered American graduate nurses all over the world.

Two hundred and seventy-five students were in the graduating class at Vassar on June 11; 275 seniors received bachelors' diplomas and one student received the master's degree.

A gathering for the purpose of celebrating the continuous service for thirty years in the profession of Oyae San, as the *geisha* is called, was held at Takamtsu in honor of a *geisha* nearly 50 years old.

The Japan Chapter Committee of the American Red Cross will organize summer work auxiliaries at Karuizawa, Nikko, Takeyama, Gotemba, Unzen and Kyushu. A census of skilled workers of each branch has been made and plans for the summer work are being completed.

Women and Events

The National Women's Liberty Loan Committee has started the enrolment of one million women in the United States pledged to sell half of the Fourth Liberty Loan, which will be for G. $6,000,000,000.

Mrs. Katherine W. Eddy and her sister, Miss Julia Willard of Boston, who have been doing Missionary work and Red Cross work in China and Japan, have left Yokohama for their home in the States after an extended trip through North China and Korea.

Mrs. Emmeline Pankhurst, former militant suffrage leader of England, has arrived in the United States and is planning a campaign among the women to hasten to aid in victory for democracy. Mrs. Pankhurst brings the message that if Germany wins the war, woman's cause will be lost.

The Sorosis Club, the oldest incorporated women's club in New York, concluded the fiftieth year of its activities on June 2. The Club was formed at the time of Charles Dicken's visit to New York, when he was entertained by the Press Club. The Club was composed mostly of men at that time, with many women writers unable to attend the meetings, and then it was changed to the Sorosis Club. It has been active in literature, dramatic work and in philanthropy.

Miss Mary Hoyt Wiborg and Mrs. H. G. Squiers of New York, according to dispatches to the *New York Times* from the front, for twenty-four hours, unaided except by two nuns, cared for 600 French wounded from the battlefield of Chateau-Thierry on the Marne. Mrs. Squiers is the widow of H. G. Squiers, former U. S. Minister to Cuba and Havana.

Miss Katherine Stinson completed her Chicago-New York flight on June 2. She flew from Binghamton, New York, after making the American record for non-stop flight, and was cheered by thousands.

Mr. and Mrs. W. K. Vanderbilt, Sr., of Oakdale, Long Island, have offered their Idle Hour estate to the American Red Cross. The estate is composed of thousands of acres, is on the Great River, the house almost at the water's edge, and it is estimated will accomodate 1,500 patients.

Mrs. W. L. Merriman has resigned from the Foreign Educational Committee, according to the *Municipal Gazette*.

M. C. P.

05-312

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America, the Allies and Russia

From The New Republic

It looks as if the time had come when the President must abandon the diplomatic isolation which he has hitherto preserved and seek a better understanding with our Allies. He must negotiate an agreement with them for a joint economic, military and political policy in Russia. Neither he nor they can afford to let the existing differences of purpose persist. As the *New York Times* pointed out recently: "Our political forces are as far from unity as ever; there is no such thing as a political board of strategy, and cross purposes butt against each other as hard as they did four years ago, while Germany, actuated by one spirit and controlled by a single hand, knows when to strike in the political field as well as in the military field. The anti-German world looks to President Wilson as its leader. It will follow him if he takes the initiative. It is not enough to unify our military command; not so long as Germany fights not only with military weapons but with political ones." *The New Republic* has been urging the need of political unity ever since the United States entered the war. This is now becoming indispensable. The question is: On what basis can it be best achieved?

The *Times*, in common with other American newspapers, is perfectly willing to achieve political unity by the sacrifice on the part of the American government of its past and present attitude towards Japanese intervention. That would be one apparent way of reaching a common policy, but its adoption would not mean the assertion by President Wilson of his leadership of the anti-German alliance, but its adandonment. If the President is to take the initiative in formulating and consolidating the political strategy of the Allies, he can scarcely do so on any basis except that of his own anti-imperialist and constructive program. He must work to secure positive support in France and Great Britain for a policy of doing nothing in Russia which the Russians can interpret as an interference in their own domestic controversies. Japanese intervention in Siberia on a scale large enough to reestablish an eastern front would be a clear case of the adoption of Prussian methods in order to defeat Prussia. There is only one politically sound way in which disorganized or weak peoples like the Russians can be assisted to regain their own national vitality, and that is by the creation of a society of democratic nations, pledged collectively to treat other nations as they themselves would under similar circumstances like to be treated. No act would do more to make the future organization of a League of Nations possible and probable than the refusal at the present moment to yield to the temptation of putting a Japanese army in Siberia. On the other hand acquiescence in Japanese intervention would make it impossible for the anti-German alliance to develop into a League of Nations and would erect insurmountable obstacles in the path of a just and enduring peace. Instead of unifying the alliance such an act would condemn it to ultimate disintegration. It would become like the American nation before the Civil War, a house morally divided against itself.

The President's own program, if honestly and intelligently carried out, is much better calculated to unify the Allies and to frustrate the German attack on the liberties of the world. If the Allies consent to the Brest-Litovsk and the Roumanian treaties, they will be endorsing the domination in Central Europe and the exploitation of Russia by Germany. In that event France and Italy could not avoid the fate of becoming German vassals. If they allow Japan to do in Siberia what Germany is doing in the Baltic provinces, they will deprive themselves of any basis in right for objecting to German penetration; they will give the Germans every pretext to increase the amount of that penetration; and they will be tempted in the end to assist in the setting up of a counter-revolutionary Russian government which will agree to the Japanese terms. On the other hand, if the Allies remain true during the war to the principles of justice which underlie the proposed League of Nations, they will be not only adopting the policy which, when sustained by military victory, would assure the political defeat of Germany, but they would be adopting the most effective means to safeguard their onw subsequent security. Now that Russia has collapsed and will not be able for many years to form part of a continental balance of power, France and Italy must depend for their freedom and safety upon their ability to bring in the new world to redress the balance in the old. Japan has neither the will nor ultimately the power to protect France against Germany. America has the will and she will have the power. The American people are willing to expend any military and economic effort which may be necessary to protect France against Germany now and hereafter, but it must be under conditions which guarantee similar security for other nations and peoples. That is what the President's policy means, and France and Great Britain will be unwise to reject it. If it is rejected the American nation, after the war is

over, will be tempted to take advantage of its own geographical remoteness and to resume the selfish and irresponsible attitude of isolation which prevented it for so long from entering the war.

Exporting Drink to China

From the Christian Science Monitor

A recent police report sent in from Calgary, Alberta, should be given a wide publicity. This report says that "the Orient will afford a market for liquor stocks now held in Alberta." "Calgary," it is declared, "has arranged to ship its stock to China, whilst liquor dealers in Edmonton are sending their stocks to Vancouver for reshipment to other points, including China and Mexico."

Now this proceeding is simply immoral, and there is no less to be said of it. Canada has given the lead to the world in the matter of nation-wide prohibition, and, in this work of real emancipation, Alberta took an honorable part. Nevertheless, if the people of Alberta allow the liquor dealers within their borders to recoup their losses at the expense of the Chinese and the Mexicans, it will do much to rob their act of its moral value.

China has already suffered far too much from similar impositions. Those who took part in the long struggle, in Great Britain, to arouse public opinion on the question of the export of opium from India to China, sufficiently to secure the British Government's final repudiation of the traffic, appreciate how bitterly China had already suffered in this respect. Now that the opium question is done with, there is, in all probability, not a true Englishman anywhere who is not heartily ashamed of the whole business, and who does not wonder how any government of Englishmen could have been induced, not only to permit this traffic, but actually to go to war to force it upon China. Since the days of the Opium wars, in the early part of the last century, a great change has come over the world in its outook on this question, and the proposed action of the Alberta liquor dealers stands out, to-day, with such prominence as to make it certain that outraged public opinion will demand summary action.

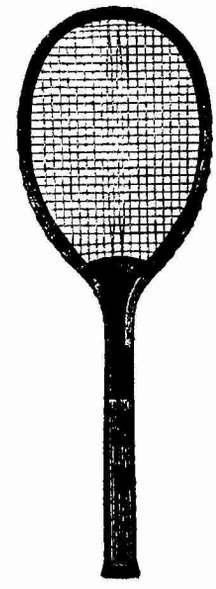
There is no use in attempting to burke the matter in any way. There is no difference, in quality, between the liquor dealer and the opium dealer, between the liquor drinker and the opium smoker, even if they were poles apart there is no justification, but only a summary condemnation, for the morality of freeing oneself at the expense of one's neighbors. What Canada has accomplished for herself and the world, in instituting nation-wide prohibition, is too precious a thing to have its force blunted for the benefit of the liquor dealers of Calgary and Edmonton. There will, it can hardly be doubted, be a very general agreement that the proposed exportations must not take place.

Far Eastern Press Opinion

American and Japanese Methods Compared

"The United States is a country, which being brimful of wealth and enterprise inside, its surplus energy is finding its way abroad; Japan, on the other hand, is eager to extend her influence outside though much is left in the country to be done," says Kayabara Kwazan in one of his articles contributed to the *Osaka Mainichi*. "Japanese business men and capitalists are very eager to extend their influence but lack the enterprise to do great things abroad. They are absolutely powerless to do anything abroad without political help or assistance. Lieut-General Kusunose, former War Minister, who recently returned to Tokio from a tour in China, spoke to the following effect in the course of an interview:

"Referring to the good work carried on by Americans in China the General said: 'Mr. White has been residing in Tsinan for 40 years and has established a hospital, a school and a museum. In Hankow and vicinity there are no fewer than thirteen schools founded by Americans and four established by British. Some of the Americans have penetrated far into the interior of the country where they have been earnestly carrying on the work of evangelization, education, and in the dispensation of relief to poor and sick as well as affording redress to those who are suffering from wrongs or injustice at the hands of official authorities. It is not surprising therefore that the Chinese should be attracted toward the Americans. Japanese, on the other hand, are trying to squeeze all possible



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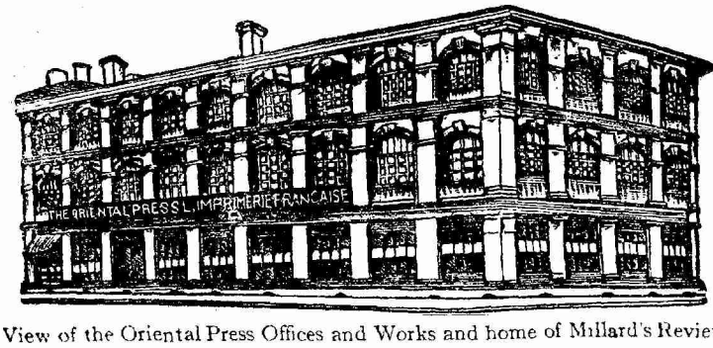

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profit out of their dealings with Chinese by fair or foul means. Herein lies the real cause of the steady spread of an anti-Japanese feeling among the Chinese, despite so much talk about the necessity of a Sino-Japanese entente. It is therefore desirable that in future Japanese should alter their attitude toward Chinese so that genuine friendship may be cultivated between the two people.'

"Such, in short, is the observation and advice of General Kusunose and nothing would be simpler and more satisfactory if the Japanese could be induced to radically alter their attitude toward Chinese on account of the advice offered by the gallant officer. In fact, it is the prevailing habit among the Japanese publicists to dwell on some weakness or other of their countrymen but never mention methods by which the remedy is to be effected. It is true, as pointed out by General Kusunose, that the behavior of the Japanese in China is far from satisfactory but it should he remembered that this is not confined to China; Japanese in other parts of the world are behaving precisely as their compatriots in China. In other words, it is a spontaneous exhibition of the Japanese national characteristics. It is necessary that the problem be probed deeper and the remedy, to be really effective, must be applied to the root of the evil."

The Mason-Goto Interview

Commenting on the Mason-Goto interview in the *Outlook* the Tokio *Asahi* assails the imprudent utterance of Baron Goto as regards his view on Russia. The Baron said, the editor quotes, that Japan had no intention to interfere in the internal politics of Russia. But at the same time he recklessly declared that there was to be one exceptional case and that was Japan's anxiety over the predominance of the Bolsheviks. Undoubtedly, says the editor, we hold a view almost similar to that of Baron Goto as regards the Bolsheviks, but Baron Goto should be very careful in uttering such an opinion like this, as long as he is the Foreign Minister of Japan. Mr. Mason inquires what Japan is really going to do if the Bolsheviks should become permanent masters in Russian politics. The question is quite reasonable, says the editor, and we also want to know what measures are to be taken by the Japanese Government for driving out the Bolsheviks not only from Russia but from any part of the world, as the danger will be entirely the same wherever it exists. Furthermore, the editor points out, the attitude on the part of the other Allies toward the Bolsheviks is not similar to that of Japan. As Mr. Mason says, the British Government has a certain connection with the Bolshevik envoy in London, while America's friendly attitude toward the Bolsheviks is to be clearly judged by President Wilson's message to the Soviet conference at Moscow. They may take an offensive measure against the Bolsheviks if they think that it is advisable or necessary to do it for crushing the influence of Germany in the East. But they would not do it simply because they feel anxiety over the existence of the Bolsheviks. Thus one can easily find out the great difference between the Japanese view and that of the other Allies toward the Bolsheviks. Japan is really standing in an embarrassing position among the Allies as regards her Russian policy. Baron Goto's statement, if it had been cleverly made, would have saved Japan from this embarrassment. But the fact is diametrically opposed to it. The situation in the East is becoming more and more critical, says the editor, requiring a true statesmanship for Japan to handle her diplomacy, which is watched by all nations of the world with keen interest and sometimes with much suspicion. It is really lamentable that we have such men like Count Terauchi and Baron Goto, who should be ashamed of making many unpardonable mistakes repeatedly, as the political leaders of the Empire at this critical moment.

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Rubber Restriction and Shareholders

From the Penang Gazette

There are, course, many holders of rubber shares in Shanghai, in companies floated in that port and elsewhere, and, as was the case with those in Malaya who are interested in the industry, either as planters or as possessors of scrip, the speech of Sir Edward Rosling at the meeting of the Rubber Growers' Association has proved of absorbing interest. MILLARD'S REVIEW

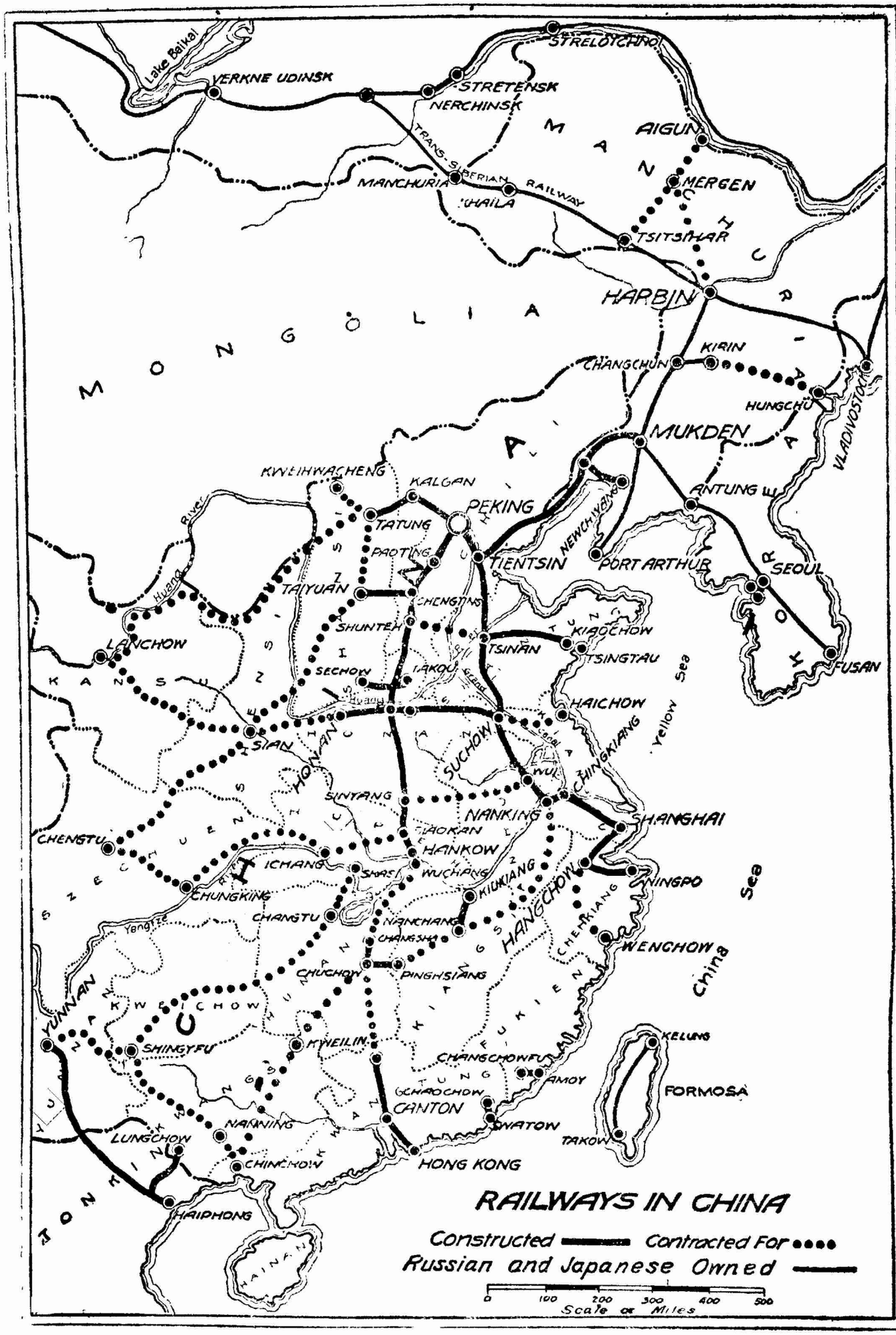
Condensed Operating and Income Accounts of the Chinese Government Railways for 1916

Items	Peking-Hankow		Peking-Mukden		Tientsin-Pukow		Shanghai-Nanking	
	Totals	Balances	Totals	Balances	Totals	Balances	Totals	Balances
Operating Revenues	$20,466,622.43		$14,809,724.11		$10,188,976.31		$3,818,269.56	
Operating Expenses	7,027,542.01		5,953,575.85		5,121,878.64		1,904.015.28	
Net Operating Revenues		$13,439,080.42		$8,856,148.26		$5,067,097.67		$1,914,254.28
Income Debits	2,755,532.46		1,056,490.41		4,898,065.78		1,442,385.74	
Income Credits	86,833.41		384,791.09		126,336.94		19,575.31	
Net Income Debits		2,668,699.05		671,699.32		4,681,728.84		1,422,810.43
Credit or Debit Balance for the Year		10,770,381.37		8,184,448.94		385,368.83		491,443.85

Items	Shanghai-Hangchow-Ningpo		Peking-Suiyuan		Cheng-Tai		Taokow-Chinghua	
	Totals	Balances	Totals	Balances	Totals	Balances	Totals	Balances
Operating Revenues	$1,798,503.78		$3,895,779.37		$2,184,026.53		$834,946.64	
Operating Expenses	1,444,826.21		2,317,138.37		1,289,766.69		380,717.15	
Net Operating Revenues		$353,677.57		$1,578,641.00		$894,259.84		$454,229.51
Income Debits	691,736.07		228,499,19		740,568.05		380,054.57	
Income Credits	76,982.12	614,753.95	30,305.91		21,303.76		281.90	
Net Income Debits				198,193.28		719,264.29		379,772.67
Credits or Debit Balance for the Year		(less) 261,076.38		1,380,447.72		174,995.55		74,456.84

Items	Kaifeng-Honan		Kirin-Changchun		Chuchow-Pinghsiang		Canton-Kowloon	
	Totals	Balances	Totals	Balances	Totals	Balances	Totals	Balances
Operating Revenues	$1,286,794.00		$933,511.67		$742,349.71		$794,222.57	
Operating Expenses	568,290.15		756,380.30		687,906.69		829,663.37	
Net Operating Revenues		$718,503.85		$177,131.37		$54,443.02	(less)	$35,440.80
Income Debits	704,798.73		176,953.05		4,587.14		764,338.95	
Income Credits	708,247.64		3,746.68		1,918.31		12,771.11	
Net Income Debits	8,247.64	696,551.09		173,206.37		2,668.83		751,567.84
Credit or Debit Balance for the Year		21,952.76		3,925.00		51,774.19	(less)	787,008.64

Items	Canton-Samshui		Changchow-Amoy			Chinese-Government Railways	
	Totals	Balances	Totals	Balances		Totals	Balances
Operating Revenues	$962,091.06		$45,902.49			$62,761,720.23	
Operating Expenses	487,435.33		72,541.91			28,841,677.93	
Net Operating Revenues		$474,655.73	(less)	$26,639.42			$33,920,042.30
Income Debits	87,205.95		126,729.83			13,967,945.92	
Income Credits	687.91		1,476.80			775,258.89	
Net Income Debits		86,518.04		125,253.03			13,192,687.03
Credit or Debit Balance for the Year		388,137.69	(less)	151,892.45			20,727,355.27


Lake Baikal
VERKNE UDINSK
STRETENSK
NERCHINSK
STRELOTCHNO
TRANS-SIBERIAN RAILWAY
MANCHURIA
HAILA
AIGUN
MERGEN
TSITSIHAR
HARBIN
MONGOLIA
MANCHURIA
CHANGCHUN
KIRIN
HUNGCHU
VLADIVOSTOK
MUKDEN
KWEIHWACHENG
KALGAN
PEKING
TATUNG
PAOTING
TIENTSIN
NEWCHWANG
PORT ARTHUR
ANTUNG
SEOUL
FUSAN
TAIYUAN
CHENGTING
SHUNTEH
KIAOCHOW
TSINAN
TSINGTAU
LANCHOW
SECHOW
IAKOU
HAICHOW
SIAN
HONAN
SUCHOW
CHINGKIANG
Yellow Sea
SINYANG
NANKING
SHANGHAI
CHENGTU
HANKOW
ICHANG
SHASI
WUCHANG
KIUKIANG
NINGPO
CHUNGKING
CHANGTU
NANCHANG
HANGCHOW
CHEHKIANG
WENCHOW
China Sea
CHUCHOW
PINGHSIANG
YUNNAN
KWEICHOW
SHINGYFU
KWEILIN
KELUNG
CHANGCHOWFU
AMOY
FORMOSA
CANTON
SWATOW
TAKOW
NAMNING
LUNGCHOW
CHINCHOW
HONG KONG
TONKIN
HAIPHONG
HAINAN
RAILWAYS IN CHINA
Constructed
Contracted For
Russian and Japanese Owned
0 100 200 300 400 500
Scale of Miles

05-319

Chinese Government Railways

Kaifengfu-Honanfu (Peinlo) Line

The Kaifengfu-Honanfu (Pienlo) Railway often called the Lunghai and Pienlo Line connects the main Shanghai-Nanking-Tientsin lines with the Peking-Hankow line. It is 115 miles long and was financed principally by Franco-Belgian capital.

This line joins the Peking-Hankow Railway at Chenchow and an extension to Hsuchowfu on the Shanghai-Nanking-Tientsin line is contemplated. The line is franchised and has a capital of Mex. $17,270,595 of which Mex. $17,182,006 is paid up. The franchise for its construction was granted to the Compagnie Generale des Chemins de fer et Tramways de Chine. 260 miles of extension to Sianfu was originally granted to two Chinese provincial companies. The first Section of 115 miles was redeemed by the Chinese Central Govenment in 1914.

The amount at credit for the cost of the railway was Mex. $16,527,779 and of this sum Mex. $16,300,117 has already been disbursed. Passenger receipts for the first five years working were: Mex. $273,489; $303,960; (No record); $482,097; $537,313. Freight receipts in 1911 and 1912 were Mex. $261,348; and Mex. $274,960, and in 1914 and 1915 Mex. $457,388; and $485,377 respectively.

The general working expenses in 1911 and 1912 were Mex. $465,179 and $524,741 and in 1914 and 1915 were Mex. $464,464 and $606,426 respectively.

Further information regarding the line may be obtained by addressing the

DIRECTOR GENERAL, LUNGHAI RAILWAY
Peking, China.

05-320

assures us that Sir Edward's prediction as to future supply and demand, etc., has not resulted in any rush to get rid of shares. Our contemporary asserts that the great majority of holders of rubber shares, calculating the value of the shares at their present market prices, have lost on their investments, and aside from occasional speculative transactions, the situation is that the holders of shares consider the money invested as so much money sunk in an unprofitable venture; for which there is little hope, at any rate, until after the war. This does indeed sound hopeless, but then we are told a large number of Shanghai shareholders were left with doubtful or highly problematical shares when the boom of flotation was at its height, and in the interval have become hardened, knowing that things cannot get much worse and may possibly improve later on despite the gloomy forecast of Sir Edward Rosling. "Stuck" before, they have cultivated a rubber philosophy! That, however, is merely what we are led to believe. It is not usual to regard Shanghai as the home of "lambs!" Another Shanghai journal takes quite an optimistic view, and points out incidentally that nearly all the Shanghai companies have very wisely deferred paying final dividends, carrying over good sized cash balances which should enable them to "weather any conditions imaginable during 1918."

From the Tokio Nichi Nichi

When the recent uprising of the Czecho-Slovaks took place, the anti-Bolsheviks proclaimed the establishment of a provisional Siberian government, requesting the Allied consular corps to recognize its legitimacy. But this Siberian government has no actual power, says the *Nichi Nichi*, and already a split has taken place among the parties as regards the future of the government. Not only the Constitutional-Democrats are against it, but the working-class as well as the leaders of business circles have already severed their relations with the government. Furthermore, the new Siberian government is nothing but the restoration of the so-called Siberian government elected by the Tomsk conference a half year ago, having no influential political leaders among its members. Therefore, says the editor, it is absolutely impossible for the Allies to rely upon this provisional government for the future of Siberia, or even of Vladivostock. The Czecho-Slovaks, on the other hand, though they have greater influence than the Siberian government, have no intention of controlling affairs in Siberia by their own forces. It has already been proclaimed by them that they were by no means desirous of handling the political affairs in Siberia. In consequence, the city of Vladivostock has no political center, and if it is merely left to the course of events the fate of the city is nothing but an anarchy. Thus the action taken by the Allies in establishing a temporary protection is justified by all reasons, says the *Nichi Nichi*, which especially praises the quick decision of the American Government in joining the other Allies. It is really noteworthy, says the editor, that America has joined the action. In the past, the attitude of America toward Siberia has been always different from that of the other Allies. As a matter of fact, we cannot say at once that America has changed her Siberian policy on account of that single event. But we are at least satisfied by realizing that America knows what she is about, and will never hesitate to join the other Allies whenever she realizes the necessity.

Japan's Record in China

From the Tokio Asahi

The interest of the Japanese people in Chinese politics has greatly lessened lately on account of their being tired of the monotous repetition of political strifes, which like a revolving lantern turns round on the same track, showing the same sort of plays one after another. But the Japanese people should realize that Japan is the very center of this revolving lantern, supplying at the same time the motive power of the rotation, urging the government as well as the people here to awaken and realize the significant position of the Empire in the Chinese politics. In international politics there is always a center. Great Britain is now the center of European politics. American international politics revolve round the United States. And in Far Eastern politics nobody denies the fact that Japan is the center of every political movement, having the power to further it or to stop it. The Chinese politics are like the solar system, Japan's position being to be compared with that of the sun. But what has Japan done in the past as the leader of the Far Eastern nations? Has she been as bright as the sun? Contrary to this, her diplomacy toward China has been often, if not always, attacked as being full of intrigues. For instance, the compromise between the South and the North has always been the dream of the Chinese politicians, who have often requested Japan to take the part of a mediator. Really, if the Japanese Government was sincere in its attitude toward China, the political unification of the Republic should have been realized long ago. On the other hand, what the Japanese Government has done nothing in China in the past but instigate, indirectly, if not directly, the internal strife, causing more trouble rather than stopping it. As a matter of fact, Japan is not the only nation in the world, who is interested in Chinese affairs. At present the European Powers are busily engaging in the war and, in consequence, seem indifferent to the Far East. But the Japanese people should remember that, as soon as the war terminates, China will again be the center of the international politics. The time may not come soon, but it will certainly come in the future, and then the Japanese people will inevitably realize how much harm the Japanese Government has done in the past for the welfare of their own country and for that of China.

The Real Growth of China

From the North China Daily News (Shanghai)

This is a very difficult period in which to comment upon Chinese affairs with strict justice to the Chinese people. Before the revolution it was not so much the fashion to comment upon Chinese internal administrative affairs either in China or abroad, because Chinese institutions were assumed to be strictly Oriental and therefore beyond the understanding of the Occidental scribe. After the Revolution, however, the Chinese set about creating a Government in frank imitation of well known Western administrative models, which were more familiar to the European or American journalist than to the average Chinese official, and judicial comment upon Chinese internal politics and unsolicited advice to a largely imaginary Chinese audience of administrative officials have become more and more important and absorbing features of journalism in

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

—to—

THE Peking-Hankow Line, the most important section of China's overland route, enables tourists and travellers to get a glimpse of Old China, the train passing through magnificent scenery, traversing the great plains of Chihli, the central portion of Honan and the mountainous region of the eastern Hupeh province.

THE Peking-Hankow route joins at Fengtai the main line of the Peking-Mukden Railway, by means of which this line is connected with the railways in Manchuria, Korea, Japan and Siberia, while steamer facilities at Hankow bring it into easy communications with the Yangtze River ports and Shanghai.

FROM the Capital to Hankow the journey occupies 34 hours, by the daily through train which is provided with up-to-date sleeping and dining accommodations.

CHI KUNG SHAN Mountain (Summer Resort), not many Summer Resorts in China inland can bear comparison with the natural charming views that reward those who ascend the mountain of Chi Kung Shan whose summit stands at an altitude of 1980 ft. On reaching Siatien station, situated 110 m. from Hankow, a serpentine road climbs the mountain, on top of which are hundreds of beautiful bungalows awaiting vacationists. This popular resort is celebrated for its scenery, where an almost unbroken communion with nature can be enjoyed for a week at a time.

HSI LING or WESTERN TOMBS.—With their present-day accessibility, there is now little excuse for visitors to Peking omitting a trip to the Western Tombs, undoubtedly one of the most impressive sights in China. The site of these beautifully adorned Imperial Tombs is close to Liang Ko Chwang station, 79 m. from Peking, which is reached by a Branch-line formerly built for the exclusive use of the Imperial Sovereigns when visiting the Tombs of their ancestors. The Western Tombs include the mausoleums of four Manchu Emperors and three Empresses, as well as those of a number of princesses. The region is justly appreciated for the charming scenery surrounding the Imperial Tombs and is highly recommended to any one in search of the extraordinary and beautiful.

05-321

Grand Hotel Kalee

Cable address, Kalee, Shanghai.

The only American Hotel in China.

130 Rooms, modern equipment throughout.

French Cuisine under supervision of a foreign chef.

Commodious lounge, reception rooms, etc.

WHEN IN SHANGHAI STOP AT THE GRAND HOTEL KALEE.

China and of the reports upon Chinese affairs which appear abroad. However disappointing the Chinese experiments in democratic government have been, they are still of absorbing interest and the writers who specialize in Chinese politics become as oblivious to every other phase of Chinese life as the Chinese politicians themselves, and have, almost without exception, fallen into the error of speaking of the various experimental systems of Government in Peking, and of the small political groups usually involved in these experiments, as China. . . . . The permanent improvements which have been made in hundreds of Chinese cities during the past seven years, the roads built, the thousands of small and large industrial plants erected, the improvements in sanitation, the schools, colleges and hospitals endowed and opened, the hills reforested, the mines developed, the newspapers established and the remarkable growth of knowledge of foreign affairs during a period of unceasing political turmoil punctuated by a series of natural calamities and blanketed by a war trade depression, are conspicuous evidences of wholesome progress and of a genuine interest among the people in improvements and innovations. Although an administrative scandal in Peking is cabled to every Occidental capital while the erection of a new factory in Wuhu or of a new girl's school in Nanking is described locally in an inconspicuous paragraph we all know, if we stop to consider, that the building of a school or a factory in the provinces is a much more significant omen of the tendencies of the Chinese people than a squabble within the mandarin ranks; but with politics so blatantly conspicuous it is exceedingly difficult to be just and fair to the people who have yet to make their influence felt upon the administrative systems which in no sense represent them.

China's Silk Industry and Reforms

BY Y. L. CHANG

I.

MORE than four thousand years ago, there lived somewhere within the domains of the Chinese Empire a woman who was destined to enrich the world with comforts and luxuries, add untold wealth to China as well as to other nations, create a means of livelihood to thousands upon thousands of men and women, and expand to a considerable extent the world's commerce. To this woman, She Ling-shi, the Empress of Huang-ti, is due the honor. She is said to be the first who observed silk-worms, reeled their cocoons and finished a beautiful piece of texture with their fine filaments. To her also is attributed the honor of being the inventor of the loom. Considering the long lapse of time, the story sounds rather legendary, but it is, however, a universally recognized fact, founded on reliable historical records.

It is interesting to note how this silk industry had been kept a secret for many centuries before it was disclosed by a certain princess who, at the risk of her life, carried away with her mulberry seeds and eggs of silk-worms when she gave herself in marriage to the chief of Khotan in A. D. 419. Through her, therefore, originated the silk industry of Central Asia. Japan, however, seemed to have learnt this art from Korea two or three hundred years earlier.

Later on, mulberry seeds and eggs of silk-worms were carried to India and Europe. This industry brought in countless wealth to the Western world for more than twelve hundred years. It is a familiar fact to not a few that the blessing of silk was bestowed on Europe through two Persian priests, long resident in China, who carried to the Emperor Justinian eggs of silk-worms in a hollow cane about 550 A. D.

Little would She Ling-shi have dreamed at the time she found out the value of silk-worms that she was to render such a conspicuous service not only to her own country but to the world at large.

II.

Although the rearing of silk-worms and the consequent processes of reeling and weaving are engaged in throughout the whole country, about 78 per cent of silk comes from the northern half of China; the Yangtze valley provinces and Chekiang—and only 32 per cent from the South. Kiangsu, Chekiang and Anhui are the three provinces that produce most of China's raw silk as well as finished products. More people in these three provinces are engaged in the silk industry than in any other part of the country. Wusih, in Kiangsu, is said to have produced the finest white silk in the world, and for better kinds of piece goods Chekiang and Kiangsu have long been noted.

Besides this usual kind of silk, there is produced in Shantung province, particularly at Chefoo and Newchwang, a peculiar kind of silk which is the outcome of silk-worms feeding on oak leaves. This sort of silk is used in making pongees. Some time ago many shipments of this Shantung silk went to America for weaving purposes and later on the demand for it much lessened because the high cost of labor in those parts

Shanghai-Nanking Railway Abridged Time Table.

Shanghai North to Nanking—Up (Main Line) Nanking to Shanghai North—Down

STATIONS	Local	Express R.	Fast R.	3rd & 4th	Fast R.	Local	Fast Local	Night Express R.S.
Shanghai North.. dep.	..	7.55	9.10	9.40	12.45	15.25	17.15	23.00
Soochow..... dep.	..	9.41	11.22	12.20	14.55	18.15	19.20	1.08
Wusih..... dep.	..	10.31	12.24	13.41	15.54	19.27	20.20	2.10
Changchow ..... dep.	6.50	11.22	13.16	15.03	16.48	..	21.25	3.10
Tanyang ..... dep.	8.05	12.09	13.11	16.16	17.41	..	..	..
Chinkiang..... dep.	9.16	12.52	14.55	17.17	18.22	..	..	5.06
Nanking..... arr.	11.19	*14.15	16.30	19.20	19.50	..	..	6.50
Pukow..... dep.	..	15.30	T.P.R. Second Day	..	..	..	..	..
Tsinanfu..... dep.	..	8.18		..	..	..	..	..
Tientsin Central.. arr.	..	16.29		..	..	..	..	..
Do. dep.	..	16.55	P.M.R.	..	..	..	..	..
Peking..... arr.	..	19.50		..	..	..	..	..

STATIONS	Local	Fast Local	Fast R.	3rd & 4th	Fast R.	Express R.	Local	Night Express R.S.
Peking..... dep.	..	..	..	..	..	8.35	P.M.R.	..
Tientsin Central arr.	..	..	..	..	..	11.40		..
Do. dep.	..	..	..	..	..	12.00	T.P.R.	..
Tsinanfu..... dep.	..	..	..	..	..	20.27	Second	..
Pukow..... arr.	..	..	..	..	..	12.56	Day	..
Nanking..... dep.	..	..	7.20	8.00	11.45	*14.20	15.35	23.00
Chinkiang ..... dep.	..	..	9.00	10.10	13.30	16.06	18.16	1.00
Tanyang ..... dep.	..	..	9.36	10.59	14.12	16.41	19 08	..
Changchow .... dep.	7.00	..	10.34	12.18	15.08	17.39	20.20	3.06
Wusih ..... dep.	8.15	7.10	11.28	13.36	16.00	18.29	..	4.11
Soochow ..... dep.	9.35	8.08	12.23	14.57	17.01	19.21	..	5.12
Shanghai North arr.	12.15	10.15	14.20	S7.50	19.00	21.00	..	7.00

R. Restaurant Cars. * Connects at Pukow with the through Siberian Service. S. Sleeping Cars.

Woosung Forts to Shanghai North—Up (Branch Line) Shanghai North to Woosung Forts—Down

Woosung Forts .... dep.	6.50	8.10	10.50	13.15	14.40	16.20	18.10	20.45
Kiangwan ..... dep.	7.17	8.37	11.17	13.42	15.07	16.47	18.37	21.12
Shanghai North .... arr.	7.25	8.45	11.26	13.50	15.15	16.55	18.45	21.20

Shanghai North .. dep.	6.10	7.30	10.05	12.25	14.00	15.30	17.30	20.00
Kiangwan ..... dep.	6.21	7.41	10.16	12.36	14.11	15.41	17.41	20.11
Woosung Forts .. arr.	6.45	8.05	10.40	13.00	14.35	16.05	18.05	20.35

Shanghai-Hangchow-Ningpo Railway Abridged Time Table.

Shanghai North to Zahkou—Down (Main Line) Zahkou to Shanghai North—Up

STATIONS	Local	Fast R.	Slow	Coolie and Goods	Local	Express R.	Local	Local
Shanghai North..... d.	..	7.35	9.00	10.00	..	14 50	15.50	..
Jessfield..... d.	..	7.51	9.16	10.23	...	15.06	16.06	..
Siccawei..... d.	..	7.58	9.23	10.38	..	15.13	16.13	..
Lunghwa Junction .... d.	..	8.15	9.40	10.53	..	15.30	16.29	..
Shanghai South..... d.	..	*7.45*	*9.10*	*10.30*	*13.35*	*15.00*	*16.00*	*17.55*
Lunghwa Junction..... d.	..	*8.15*	*9.40*	*10.58*	*13.52*	*15.30*	*16.29*	*18.13*
Sungklang..... d.	..	8.59	10.48	12.02	..	16.07	17.42	..
Kashai..... d.	..	9.51	11.52	13.28	..	16.53	18.49	..
Kashing..... d.	7.40	10.25	12.30	14.35	..	17.22	19.20	..
Yehsah..... d.	8.45	11.05	13.15	15.50	..	17.53	....	..
Changan..... d.	9.45	11.41	14.00	16.50	..	18.24	....	..
Hangchow..... d	11.10	12.50	15.25	18.30	..	19.19	....	..
Zahkou..... a	11.35	13.10	16.50	19.00	..	19.35	....	..

STATIONS	Local	Local	Fast R.	Slow	Local	Coolie and Goods	Express R.	Local
Zahkou..... d.	..	..	6.30	7.55	..	9.20	14.10	15.30
Hangchow..... d.	..	..	7.00	8.30	..	10.00	14.35	16.05
Changan..... d.	..	..	8.04	9.48	..	11.40	15.20	17.36
Yehzah..... d.	..	..	8.41	10.31	..	12.39	15.51	18.40
Kashing..... d.	..	7.15	9.28	11.22	..	14.10	16.30	19.30
Kashai..... d.	..	7.48	9.53	11.55	..	14.48	16 52	..
Sungklang..... d.	..	9 05	10.47	12.59	..	16.08	17.46	..
Lunghwa Junction..... d.	*8.18*	*10.33*	*11.38*	*14 08*	*15.38*	*17.23*	*18.25*	..
Shanghai South..... d.	*8.35*	*10.50*	*11.55*	*14.25*	*15.50*	*17.40*	*18.40*	..
Lunghwa Junction .... d.	..	10.30	11.35	14.05	..	17.18	18.20	..
Siccawei..... d.	..	10.39	11.44	14.14	..	17.28	18.29	..
Jessfield..... d.	..	10.46	11.51	14.21	..	17.37	18.36	..
Shanghai North..... a.	..	11.00	12.05	14.35	..	17.55	18.50	..

Konzenchiao to Zahkou (Kiangshoo Branch Line) Zahkou to Konzenchiao

Konzenchiao .... dep.	6.50	8.25	11.25	14.00	15.55	18.35
Kenshangmun ... dep.	7.10	8.50	11.40	14.15	16.15	18.50
Hangchow..... dep.	7.20	9.15	11.52	14.24	16.30	19.00
Zahkou..... arr.	..	9.40	12.10	..	16.55	..

Zahkou ..... dep.	..	10.10	12.25	..	17.20	..
Hangchow..... dep.	7.30	10.40	12.45	14.55	17.50	19.15
Kenshangmun ... dep.	7.42	10.57	12.57	15.12	18.07	19.27
Konzenchiao .... arr.	7.55	11.10	13.10	15.25	18.20	19.40

R. Restaurant Car.

of the world makes this business unprofitable. Foreign merchants, however, are now exporting more than three million taels' worth of this kind of silk to England and France for making threads. There has recently been a large demand for this kind of silk and prices have gone up accordingly.

Thousands of families in Chekiang, Kiangsu and Anhui provinces are making their living by rearing silk-worms, which produce for them cocoons for the markets. The amount of cocoons produced is judged by the number of stoves each family possesses for boiling cocoons. The average number of stoves possessed by each family is from forty to fifty.

For native consumption the silk comes mostly from peasants who make their occupation the unravelling of cocoons by primitive methods.

For exports the silk comes mainly from the silk filatures where machinery is used for the reeling of cocoons. The silk turned out from these filatures is called steam silk, which is naturally clean and is wound up in neat bundles to be eventually disposed of in foreign markets by foreign merchants.

The machinery for the filatures was inaugurated in the 6th year of Kwangsu, or 1880, by foreigners and is now being used by more than ninety silk filatures in the country. The majority of these silk filatures are located at Shanghai, in which foreign interests take a lead.

There are now seventy-one silk filatures at Shanghai, three at Soochow, nine at Wusih, two at Chinkiang, one at Hangchow, one at Shaoshing, and one at Huchow.*

The Government has also established model silk filatures—one at each of the following three provinces, Hupeh, Hunan and Yunnan.

The largest silk filature at Shanghai has 600 basines and the smallest one 52. The model silk filature at Hupeh has 200 basines; at Hunan, 100 and at Yunnan, 40.

Five or six years ago the silk guild at Shanghai was fermented with the idea of introducing weaving machinery into China with the hope of turning out finished products for foreign markets. This idea had soon to be given up after it was found out that the protective tariff for these luxurious piece goods in America and France was too much for them to tackle.

It is therefore hoped that China will be in a position in the near future to adjust her tariff rates in such a way that the Chinese silk merchants will be enabled to carry out their enterprise, which would otherwise be but little short of an impossibility.

III

In the early days when China had just commenced her intercourse with foreign nations only a limited amount of silk was allowed to be exported.

The treaty for such restrictions was afterwards revised by the Emperor Shieng Fung; the amount of silk exported was consequently increased. It was some years before the treaty for restrictions on silk exports was further revised, which placed no limit on silk exports and also allowed foreigners to buy silk in the Interior with perfect liberty. Had those authorities who placed restrictions on silk exports lived to-day, they would certainly regret their action by finding that China's foreign silk trade has been far outstripped by her neighboring Island Empire and would surely devise means to extend instead of to restrict this important trade of China.

Once before, China was the sole supplier of silk to the whole world; only fifty years ago she still enjoyed half of the world's silk trade, but now her trade is reduced to less than one-fourth. For the last two years there have been variations in the number of piculs of silk exported but on the whole neither increase nor decrease was at all significant; in other words, there was entirely no progress whatever; whereas on the other hand Japan is increasing her silk trade by leaps and bounds. In 1909 she possessed 34 per cent of the world's trade, and only 5 years later, in 1914, she had 44.5 per cent of the world's trade. This is something which calls for the serious consideration of both Chinese and foreign silk merchants. Happy is the fact that both Chinese and foreign merchants are quite alive to the situation and are devising, to the best of their ability, various methods with the object of increasing their silk trade, which will be related later.

IV.

Reasons for the prosperity of the Japanese silk trade may summarily be summed up as follows:

1. Scientific methods are applied in the cultivation of mulberry trees; the rearing of silkworms and the preparation of silk for foreign consumption.

2. The government is paying close attention to the industry—statistics are prepared and kept of the number of cocoon-producing firms and silk filatures, so as to enable them to regulate the right number of silk filatures to correspond with the amount of cocoons turned out at their disposal. Lately, the Japanese government has issued an order to the effect that no more silk filatures are allowed to be established because the demand for cocoons by the existing silk-filatures already exceeds the supply. The prudent and timely action taken by the Japanese government, as such, certainly serves as a great help to the silk industry, which is made possible by the statistics they have on hand and the scientific and assiduous ways with which they treat the problem.

3. No tax or duty of whatever sort is levied on the silk to be exported so as to help the silk merchants to sell their silk at a lower price.

4. Unlike Chinese silk merchants, who sell their silk to foreign countries through a number of foreign hands, the Japanese silk merchants are selling their silk directly to consumers abroad, thereby greatly lowering the price of silk. This is decidely one of the great advantages enjoyed by the Japanese silk merchants.

V.

The Chinese silk merchants are not unaware of the advantages thus accrued by selling silk directly to consumers abroad but for lack of banking and shipping facilities they cannot but give up this idea, at least for the time being.

And of late the desperate struggles going on in Europe are bringing disastrous effects on the Chinese silk industry. Last year alone the silk filatures at Shanghai as a whole lost over four million taels. More than forty of these silk filatures were forced into bankruptcy and stopped running, involving the running away of the proprietors who had no money to pay the wage-earners and the throwing out of employment hundreds of employees. Scarcely forty silk filatures

are running this year although the aggregate number of silk filatures at Shanghai runs up to more than seventy.

This state of affairs is brought about by the following conditions :

1. The price of coal has risen immensely, caused by large demands and scarcity of imports.

2. Difficulty in getting tonnage for lack of sufficient number of ships to meet with the usual volume of business.

3. Uncertainty of the shipping schedule, thus delaying at times a large quantity of silk from being exported at the appointed time causing the unnecessary outlay of a considerable sum of money for interest for the time consumed in delays.

4. Higher rate of interest is demanded, due to the tightness of the money market.

5. The unprecedented depreciation of value of pounds which they receive for the silk sold.

6. Higher wages are paid.

7. A great quantily of silk is still in stock and remains unsold.

8. Worst of all these is the fact that after all these unfavorable conditions, the silk which ought to be sold at a much higher price is sold at a price lower than what the silk merchants receive at normal times.

Besides, the silk merchants are suffering a great deal from buying cocoons from peasants, which yield less silk than they are supposed to because little or no attention is paid by these peasants in the selection of the right kinds of silk-worms to be reared for producing cocoons.

The cocoon market is not so lively this year as it used to be for the simple reason that the number of cocoon producers has highly increased. The prices of cocoons on account of competition, therefore, are much lowered. Before the European war America and France consumed a great quantity of cocoons but now on account of the war the demand is scarce. This is another reason why the prices of cocoons are reduced.

The kinds of cocoons vary with the localities in which they are produced. The best cocoons are found in the east of Chekiang. This year only 520 catties of them are required for 100 catties of silk turned by the filatures. Next in order come the cocoons from Kiangsu, of which 650 catties are required for 100 catties of silk.

VI.

Both Chinese and foreign merchants are no doubt fully aware of the fact that the Chinese silk trade has not shown only no increase but there are evident signs of decrease and that the demands abroad for Japanese silk are growing in an alarming degree.

One of the main causes of the degradation of the Chinese silk trade is the deterioration of silk-worms, as evidenced by the fact that it took approximately only 450 catties of cocoons before to produce 100 catties of silk but at present it takes about 650 catties of cocoons to produce an equivalent amount.

There have been talks of reforms but no organization of any kind ever appeared to carry out these reforms until last December when, at the instance of the President of the French Commercial Guild, an Associated Sericultural Reforms Society of China was organized at Shanghai. It may well be mentioned here that the President of the American Silk Guild of America, who came to China some time in July of last year and gave both Chinese and foreign silk merchants a "tip" by showing them with a number of slides the difference of qualities of Chinese, Japanese and Italian silk, advising them as to how to improve the methods of reeling, etc., and reminding them of the fact, which they know well, that Japan's foreign silk trade far exceeds Chinese and suggesting various ways and means by which to cope with this undesirable situation, had been indirectly instrumental in the bringing about of this Reforms Society. No one can foretell the eventual extent of success this Reforms Society will bring to the silk trade, but it is certainly a hopeful sign to the industrial world of China in view of the earnest cooperation of both Chinese and foreign mercantile communities who take a keen interest on the lines of reforms in this particular field of silk industry.

The President of the French Commercial Guild was elected president of this Reforms Society ; a certain Italian merchant was elected as secretary, and one of the members of the Board of Directors of the Chinese silk guild was elected as adviser. The initial expenses of this newly organized society were shared equally by the Chinese Silk Guild, the French Commercial Guild and the Silk Guild of Foreign Merchants. The President of the Chinese Silk Guild has held himself responsible for the future running and other expenses of this society. The foreign merchants have also volunteered to share a part.

The Chinese silk guild has planned to support this Society in the following ways :

1. A petition was submitted to the Chinese Government with the proposal to set aside 2 taels from the duty of 10 taels levied on a picul of silk exported—the average amount of silk exported is 20,000 piculs per annum from which 40,000 taels will be available for the support and development of this Reforms Society.

2. The cocoon merchants of the Kiangsu, Anhui and Chekiang provinces have consented to give 10 cents for every picul of cocoons they sell to advance the Society's interests.

3. The silk filature proprietors have also agreed to give 1/5 of a tael for each picul of silk they sell to maintain and develop this society. The foreign merchants have also consented to give voluntarily 1/5 of a tael or more for each picul of silk they buy. The aggregate total received from both Chinese and foreign silk merchants alike will amount to about 20,000 taels per year.

The grand total for the running expenses and the expenses incurred for the development of this Society will amount to 60,000 taels per year, more or less, 40,000 taels from the government and 20,000 taels from the merchants.

This Society is having its head office at Shanghai and has already established an experimental station for the selection of the best kinds of silk worms at a place called Wu Ling, in Kiangsu province. A hundred piculs of untouched cocoons have been placed at the disposal of this experimental station from which to produce the best kinds of cocoons to be distributed

free of charge to the cocoon producers scattered over the provinces of Kiangsu, Anhui and Chekiang for propagation.

Another phase of the reforms has been the introduction of a sericulture course in the Nanking University, in which students are trained to distinguish the desirable kinds of silk-worms from the undesirable and to detect the qualities of the silk filatures. Emblems of honor will be awarded by the Chinese Silk Guild to the students who have distinguished themselves in the course as an encouragement. An American expert professor has been appointed to take charge of this department.

Owing to the lack of tonnage caused by the European war another petition has been submitted to the Chinese Government by the Chinese Silk Guild requesting it to cooperate with the China Merchants Steamship Navigation Company to advance sufficient funds for the purchase of a 5,000-ton merchant marine to be used solely for the transport of silk to foreign countries. Conditions of purchase and consequent sharing of profits etc., have been minutely explained. Whether this worthy proposal of the Chinese Silk Guild will ever materialize or not, remains yet to be seen.

It is therefore earnestly hoped that this most important industry of China, that brings in more than 90 million taels every year, will not be lost sight of by the Chinese Government and that adequate measures will be adopted to encourage and develop this great industry of hers to an extent unsurpassed.

Shortage of Pig Tin Cuts American Plate Output

THE recent ruling against the importation of pig iron is made the cause of a review of the supply of this commodity available for the United States in a compilation issued recently by the National City Bank of New York. It was pointed out that all of the tin used in the manufacture of the $100,000,000 worth of tin plate now produced in the United States is imported, more than 90 per cent of it originating in the Orient, and with the partial suspension of shipments from that part of the world, recently announced, the United States becomes more dependent upon its South American neighbor, Bolivia, which produces about 20 per cent of the world's tin and is practically the only world producer of tin outside the Orient.

While we consume about one-half of the world's tin, all efforts to develop a successful tin mining industry in the United States have thus far proved unsuccessful. Small quantities have been found in Alaska and smaller quantities in other parts of the United States, but not enough to supply even one per cent of the large and steadily increasing quantity required by our tin plate and other industries. The quantity of tin imported into the United States has grown from 70,000,000 pounds in 1900 to approximately 150,000,000 pounds in 1917. The value of the 1900 importation was $19,000,000 and that of 1917 $68,000,000, the price per pound having also greatly advanced during the period in question. The sums of money sent out of the United States for the purchase of tin since the beginning of the tin plate industry in 1893 has aggregated approximately $700,000,000. About 90 per cent of the tin imported is used in the manufacture of tin plate.

During this period the quantity of tin plate produced in the country has grown from 42 million pounds in 1892 to one billion pounds in 1903, two billion pounds in 1912, 1,845,000,000 pounds in 1914, and 2,766,000,000 pounds in 1912. The value of the output of tin plate is stated by the census of 1899 at 32 million dollars and for 1914 68 million dollars, making it apparent that the annual value now exceeds $100,000,000. About 25 billion pounds of tin plate have been produced in the United States in the twenty-five years since the beginning of the industry. Meantime, tin plate has assumed an important position in the list of exports from the United States, the value of the exports of domestic tin plate having grown from one thousand dollars in 1899 to one million dollars in 1908, 12 millions in 1915, 21 millions in 1916 and 42 million dollars in 1917.

The distribution of this tin plate now exported extends to practically every part of the world. Of the 523 million pounds exported in 1917, 64 million pounds went to Argentina, 30 millions to India, 20 millions to the Dutch East Indies, from which much of the tin for its manufacture is imported, 11 millions to the Straits Settlements, which supply an even larger quantity of the tin used in the manufacture, 23 million pounds to China, 49 millions to Japan, 2 millions to Asiatic Russia, while even the United Kingdom, which ranks next to the United States as a manufacturer of tin plate, took in 1916 54 million pounds of our output and in 1915 26 million pounds.

Prices of the tin imported for use in the manufacture of tin plate have steadily and persistently advanced not only during the war period but in the dozen preceding years, this increase in prices being apparently due, in part at least, to the increasing demand which has more than kept pace with production. The world's out-turn of tin has increased but about 50 per cent since 1900, while our own out-turn of tin plate has trebled in the same period. The prices paid in the United States for imported tin have advanced from less than 13 cents per pound in 1897 to 27 cents in 1900; 36 cents in 1911, 46 cents in 1913 and 53 cents per pound in December, 1917, these figures being in all cases prices in the country from which the tin is imported into the United States.

Most of the tin imported originates in the Malayan Peninsula, the world's largest producer of tin. Certain of the Dutch East India Islands in the same general section of the globe also supply considerable quantities of tin, some of which is shipped thence to the Malayan Peninsula for smelting and re-exportation. Hongkong is also exporting comparatively small quantites of tin, produced in China, and Great Britain produces tin from her mines in Wales, but not sufficient for her domestic use. Bolivia has been for many years a producer of tin, her output representing about 20 per cent of the world's production, and having been in the past exported in the form of "concentrates" to Europe for smelting, but at present a part of it is being brought into the United States for smelting and sale to the tinplate and other manufacturing industries of the country.

Annual Meetings of Shanghai Companies

The shareholders of the Oriental Cotton Spinning & Weaving Co., Ltd. held their annual general meeting on July 12. H. E. Arnhold, chairman, in his lengthy address to the shareholders said that due to the fire that occured several months ago and the court case arising from it, the meeting was postponed until late. As it was impossible to sell stocks of yarn at a profit the directors decided not to recommend a dividend.

The eighth annual general meeting of the Pengkalan Durian (Rubber) Estate, Ltd. was held on July 15. L. E. Canning presided, and in his remarks to the shareholders stated that the total income from rubber sales showed a decrease, which was due to the exchange and the fall in the price of rubber. A dividend of Tls. 0.45 per share was declared, being equivalent to 5% on the capital.

Commercial and Financial Notes

The operating revenues of the Peking-Suiyuan Line for June this year, when compared with the corresponding period of the previous year, again show an increase, as is shown by a report just published. The revenue for the month is $335,811, an increase of $55,775; the increase in revenue for the first six months of the year is $349,753.

The Shanghai Banking Association, which has been established by the local Chinese banks at Shanghai for the purpose of bringing closer coooperation and extending the interests of domestic and international trade, will be officially opened early in September at No. 4 Hongkong Road, although the Association has occupied the buildings for some time.

The Canton-Kowloon Railway has furnished the REVIEW with copies of their semi-yearly reports up to the first of July last year, from which we are sorry to see that this railway line has not been enjoying as great prosperity as some of the other lines situated farther north. The Engineer-in-chief, for instance, says that there had been increased earnings during the half year and that although this was satisfactory in one way it did not convey much hope for the future as they were due to increased fares and not to increased business. Nevertheless the Managing Director was able to report that the financial position was satisfactory and that it was a matter of great gratification that this railway was able to contribute towards the interest on the loan due for payment in June.

Straighter transportation routes for the merchandise which the United States purchases in other parts of the world, and more direct movement of merchandise between producer and consumer, are among the developments of the war. A compilation by the National City Bank of New York shows that considerable quantities of merchandise from other parts of the globe, formerly reaching the United States by passing through several hands before reaching us, now come in greater quantities direct from the countries of production. Quite naturally the great European countries, having colonies scattered over the world and plentiful steamship lines connected therewith, brought first to their own ports the products of the colonies, and then re-shipped them to the United States and other parts of the consuming world.

At the Shanghai Hotels.

The following guests have registered at the Astor House Hotel during the week: J. F. Satterwhite; R. Keuin, Tientsin; C. B. Gardner, Chinkiang; Mr. and Mrs. A. R. Hearne, Pukow; R. E. Barden, Wuhu; C. G. Jacobson, Hankow; R. S. Anderson, Nanking; Mr. and Mrs. B. Knisetz, H. P. Strause, New York; R. J. Wortham, New York; A. O. Altshuler, Hankow; F. M. H. Holman, Hongkong; J. I. Litchfield, Chefoo; P. D. G. Gain, Kuling; Kokooin; Y. Tahara, Tokio; T. C. Campbell, London; Mr. and Mrs. A. M. Campbell; Miss M. Davenport, New York; J. Tahoforalainse; F. F. Gill, New York; M. P. J. Walsh, Ningpo; F. F. Galhes, Manila; D. Fletcher, Manila; Mr. and Mrs. S. M. Hall, Tientsin; L. J. Engstrom; A. Grosjean, Hankow; I. Dannenbergson, Vladivostok; Mrs. A. K. Chapin, New York.

The following guests have registered at the Grand Hotel Kalee during the week: W. Keeler, Hongkong; C W. Bower, Wuchang; Pan King, Shanhaikwan; Miss Fontaine, D. J. Harding; Mrs. Della Turner; Mr. and Mrs. G. Blagoy; Mrs. Tserentschikoff, Harbin; Miss E. Williams; Mrs. Owen Williams; M. E. Williams, Pootung; Pan Yanpoo, Swatow; S. Dunn, London; Mr. and Mrs. A. Vogel and two children; A. Kapler, Russia; N. Dhopcoser, Russia; A. R. Williams; J. Keecynelenboger, Russia; R. C. Strom; Stunoonmoyad, Russia; KyposPonza, Russia.

The following guests have registered at the Palace Hotel during the week. N. C. Ridley; Mr. and Mrs. W. C. G. Howard, Kashing; E. Alabaster, Hongkong; Wong Sui Ming, Nanking; E. W. Waterlow, Tientsin; H. C. Lofts, Hongkong; A. Casati; H. G. Garden, Kiukiang; R. Wichmacker; Gilbert, Tientsin; F. A. M. Krgh, Peking; S. G. Wilkiuson, Nanking; A. Albshuler; W. A. Palmer, Hongkong; F. Y. Paullain, Peking; G. H. Sutcliffe, Soochow.

New Books and Publications

The World Significance of a Jewish State, by A. A. Berle, A.M., D.D. New York: Mitchell Kennerley.

THIS is an eloquent plea for the creation of a Jewish state in Palestine, the ancient land of the Jew. It will lend better understanding to the Jewish religion and minimise the menace of Japan to Asia. The author is very emphatic on this question. "A powerful Japan, grown rich, not weakened in the present war," says the author, "having done little or nothing on the side of the Allies, and looking steadily, serenely, and almost solely on her own interests and advancement, will endeavor to extend her influence on the continent. Korea is already gone, Manchuria is a rich prize, almost ready to fall into her lap; the peaceful penetration of China. . . . the necessity for the rest of the world to see that Japan is kept in order." The author seems almost certain that Japan will dominate the whole of Asia and the Jewish state, if created, will mitigate the evil. The rich brain of the Jew, which has already made its mark in many departments, will enrich the world further if granted independence.

The only possibility of the realization of the Jewish dream lies in the conclusive victory of the Allies. The Jews should therefore do all they can all over the world to defeat Prussian militarism. This is, I think, the chief duty of this ancient race now.

This neat booklet is interesting and entertaining.

A History of American Journalism, by James Melvin Lee. Boston and New York: Houghton Mifflin and Company. U. S. $3.50 net.

WHEN the first settlers from Europe came to the coasts of America to seek freedom and follow their religion according to their creeds, they did not think that some day their children would be leaders of the world in the principles of democracy and shower such blessings as science, art and peace on the world. They made little beginnings, but with perseverence, honesty and tact they made astounding progress and puzzled the world.

People abroad know already about American political institutions, civilization and culture, and this comprehensive work on American journalism will tell them of the advance made by the United States in this department. It is an interesting record of the progress of journalism in the states from 1689, in which year was published the first attempt at a newspaper by one Samuel Green, down to modern times.

The history of the growth of papers like the *New York Sun* is interesting and goes to illustrate the spirit of fearlessness and impartiality animating so many of the U. S. A. journals.

Apart from being of interest to journalists the book will interest the layman too. The author has indeed taken great pains in compiling this volume, which is fit to adorn any library. Although there is scarcity of paper in the world, American publishers are still issuing books on paper of superior quality.

H. P. S.

In the United States Court for China

Recent Filings:

July 15, 1918; Cause No. 652; J. Spunt and Co. vs. American Machinery and Export Co.; plaintiff's brief.

„ 16, „ Cause No. 666; United States vs. James W. Williams; information; sentence; final commitment.

„ 16, „ Cause No. 667; United States vs. Harry Warner; information; sentence; final commitment.

„ 17, „ Cause No. 668; United States vs. William K. Grove; information.

Recent Hearings:

„ 16, „ Cause No. 666; United States vs. James W. Williams; arraignment; plea.

„ 16, „ Cause No. 667; United States vs. Harry Warner; arraignment; plea.

Judgments and Orders:

„ 16, „ Cause No. 666; United States vs. James W. Williams; sentence.

„ 16, „ Cause No. 667; United States vs. Harry Warner; sentence.

IN THE UNITED STATES COURT FOR CHINA

In re Estate of PAUL McRAE, Deceased. | Cause No. 663, Estate No. 252

NOTICE TO CREDITORS.

Notice is hereby given to all parties interested that the undersigned has been appointed Administrator of the above named decedent's estate in China; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before December 28, 1918, and all persons owing the said deceased are required to make payment to the undersigned.

EDWARD H. MURRAY,
Administrator,
No. 11. Whangpoo Road,
Shanghai, China.

June 29, 1918.

IN THE UNITED STATES COURT FOR CHINA

In re Estate of GEORGE A. DERBY, Deceased. | Cause No. 609 Estate No. 225

NOTICE TO CREDITORS.

Notice is hereby given to all parties interested that the undersigned has been appointed Administratrix of the above named decedent's estate; that all persons having claims against the said estate are required to present the same for payment, with vouchers, to the undersigned on or before January 6, 1919, and all persons owing the said deceased are required to make payment to the undersigned.

JOHN RESIDE HYKES,
Administrator,
73 Szechuen Road,
Shanghai, China.

July 6, 1918.